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# *Blundell's Manual of Submarine Telegraph Companies 1872.*

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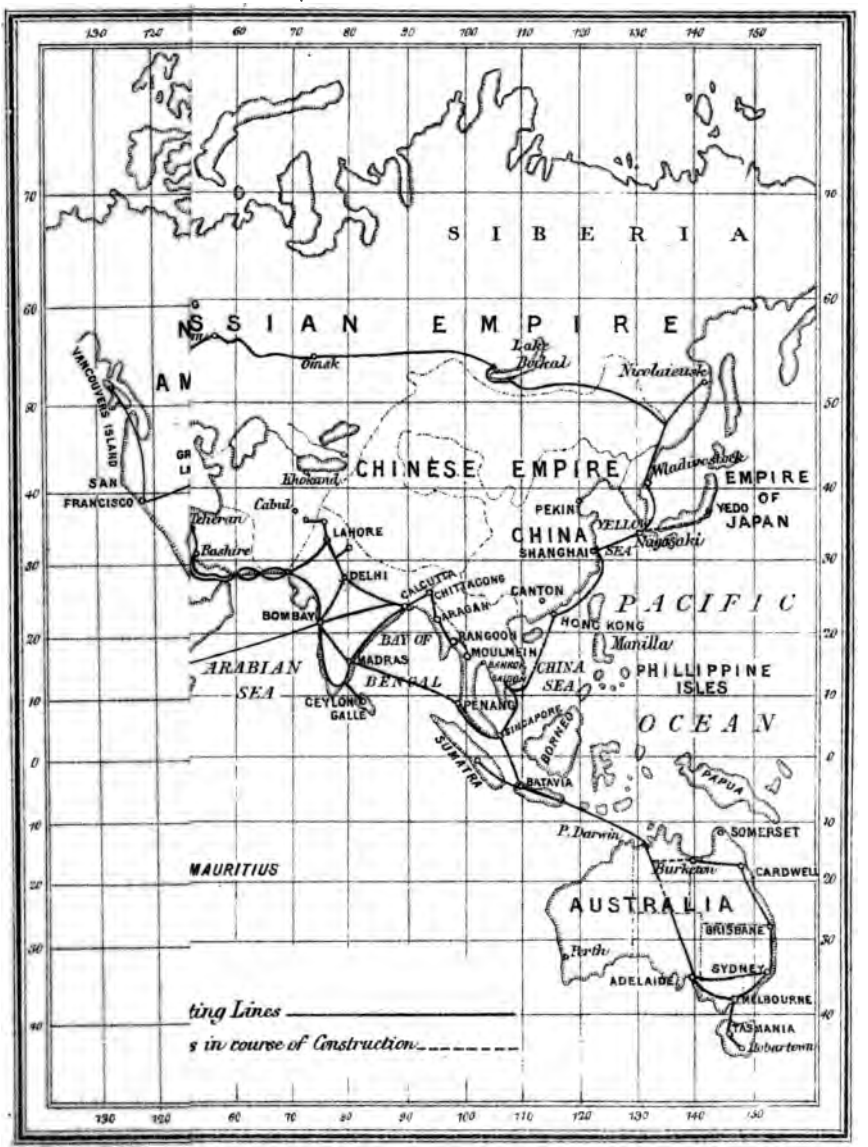
### *arine Telegraph Companies.*




W.H. Brown & C. Lithe
40. Old Broad St. London.

1872 EDITION.

# THE MANUAL

OF

# SUBMARINE TELEGRAPH COMPANIES.

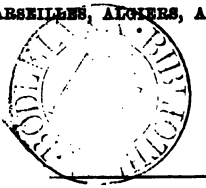
BY

J. WAGSTAFF BLUNDELL,

PUBLIC ACCOUNTANT,

(ASSOCIATE OF THE INSTITUTE OF ACCOUNTANTS IN LONDON,)

AUDITOR OF THE MARSEILLES, ALGIERS, AND MALTA TELEGRAPH COMPANY.



ENTERED AT STATIONERS' HALL.

PUBLISHED BY THE AUTHOR, 16, GRESHAM STREET, E.C.,
LONDON.

1872.

*PRICE TWO SHILLINGS.*

232. e. 206.

LONDON:
PRINTED BY FREDC. C. MATHIESON,
BARTHOLOMEW HOUSE, BARTHOLOMEW LANE, BANK, E.C.

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THE

# MANUAL OF SUBMARINE TELEGRAPH COMPANIES.

In presenting to my readers this, the 1872, edition of my "Telegraph Manual," I feel, when looking back to this time last year, as if I were addressing quite a different class of people. At that time the shareholders in the lines to America and India were deploring the fact that their cables were lying broken and speechless at the bottom of the sea, and the shares of the different telegraph companies were almost without exception lower than they are now. These cables have been repaired, and the investing public have regained their former confidence. Nothing, perhaps, has contributed so greatly to this result, as the fact that the directors have commenced the formation of reserve funds for the renewal of their cables when worn out, and in these remarks I wish particularly to draw attention, as instances, to the Falmouth Gibraltar and Malta, British Indian Submarine, and Cuba Submarine Telegraph Companies. I do not wish to make invidious distinctions, but I think the directors of all telegraph companies would do no harm if they built up their reserve funds on the model of that formed by the Submarine Telegraph Company. This company lays by a special sum for repairs, and a further sum (10 per cent. of the gross receipts), to a reserve for renewals. The reserve for renewals is invested in railway debentures, and the interest upon the debentures added to the fund instead of being credited to revenue, so that in a few years time the mere interest will be equal to the

yearly sum placed to reserve. There can be little doubt that this has a good deal to do with the present high price of the stock of the Submarine Telegraph Company. During the year the submarine line to China—as well as the land line through Russia—has been completed; the cable to Australia is likewise in working order, but telegrams are not able as yet to be sent, owing to the non-completion of the land line across Australia, the delay being chargeable to the government of that colony.

I have been induced to publish an edition of this manual in January each year, and in doing so have thought it well to continue my plan of classifying the companies according to their reference to one another. In an appendix, as before, I have given a list of the directors of each company, and other information, which is more particularly useful to Members of the Stock Exchanges. With regard to this appendix, I shall be happy to receive any suggestions from Members of the Stock Exchanges as to alterations or additions, which they consider would add to the value of the work.

16, *Gresham Street,*
*January*, 1872.

*Erratum.*—On page 18 it should have been stated that the faults in the cables are *at* Valentia (not *near to it*), that is, in the ground cable between the shore end and the cable house.

A few copies of the 1871 edition of the Manual of Submarine Telegraph Companies are still on hand, and may be obtained on application to the author, 16, Gresham Street, E.C. Price 2s. 1½d. (post free). Also a few copies of "Telegraph Companies considered as Investments" (published in 1869). Price 1s. 0½d. (post free).

## THE ATLANTIC CABLES.

THERE are three Atlantic cables, two of which are owned by the Anglo-American Telegraph Company, and one by the French Atlantic Telegraph Company. All these cables were manufactured and laid by the Telegraph Construction and Maintenance Company.

Before looking at the account of each company by itself, the shareholders will do well to remember two facts. One is, that a preliminary prospectus of a company to be formed was issued by me at the end of December, showing that a cable of the same type as those belonging to the present companies could be laid—including all expenses—at 258*l.* a mile; whereas, the capital of the present companies, divided by their mileage, shows an apparent expenditure of 404*l.* per mile. Further, it showed that, by laying a cable direct from Penzance to a point within 200 miles of New York, the "paid-outs" would only be one shilling per ten words; and, when working at a rate of ten shillings per ten words, the amount remaining for working expenses, dividend, &c., would be nine shillings, and the comparison would be as follows:—

| | *s.* | *d.* | Capital. |
|---|---|---|---|
| New Company . . . | 9 | 0 | £800,000 |
| Anglo-American . . | 2 | 9 | 1,675,000 |
| French Atlantic . . | 2 | 5 | 1,200,000 |

Respecting the capital of the present companies, showing an apparent expenditure of 404*l.* per mile, it should be noted that the Anglo-American capital was made into 1,675,000*l.*,

so that in the amalgamation with the Atlantic Telegraph Company holders of each class of stock might receive an equivalent at the market value of the particular class of stock they held, and the value would bear no comparison with the capital actually expended. The contract made for the French Atlantic cable was 920,000*l.* (100,000*l.* in shares), and this was for 3,500 miles, which represents 263*l.* per mile; and it must be remembered that there were four shore-ends in that cable, as against two in the one suggested; and that the payment was made partially in shares, the latter being a very important point.

The other fact that should be looked at, is a suggestion as to the purchase of the cables by Government. It was as follows:—

"Cheap Telegraphic Communication with America.

"It is proposed that the Governments of Great Britain and of the United States should purchase the existing cables and Newfoundland land-lines, paying for the same in terminable annuities, and charging only such rates for the use of the cables as will meet the annual interest charge. For this purpose, *one-fourth of the existing tariff would suffice for the present* —that is to say, messages of ten words could be carried for 10s., instead of 2*l.*

"The gross earnings of the Anglo-American and French cables, including the share of receipts accruing to the Newfoundland company, have now reached about 700,000*l.* per annum, and this amount is earned with only one-half of the available power being employed.

"The existing companies are earning, with 700,000*l.* a-year gross receipts, about *fifteen* per cent. on their ordinary capital, after allowing a considerable sum for reserve. *But, in view of the possibilities of competition, the shareholders would be content to dispose of their property without demanding exorbitant terms.*

*It may be safely assumed that they would accept* 150*l. for Anglo-American Stock, and* 30*l. for French Cable Shares of* 20*l. each.* The land-lines and cables of the Newfoundland company can be acquired for about 800,000*l.*

"The total cost of these lines, in the case of an immediate purchase by the Governments, would, on these terms, be less than 5,000,000*l.* To provide for the increase of business resulting from a lower rate, *two additional cables* ought to be laid from Ireland to Newfoundland, or Halifax, in Nova Scotia, and the land-lines increased in proportion. The total outlay would then be about 6,400,000*l.*, and this could be obtained on the joint guarantee of the English and the United States Governments, by granting annuities of five per cent. for thirty years, on the expiration of which the cables would become free of all charge, except maintenance.

"The annual sum to which the Governments would thus commit themselves would be 320,000*l.* For this annuity they would have made over to them the three working cables, now earning 700,000*l.* a-year, with only one-half of their capacity employed, two new cables, and the connecting land-lines.

"It has been found that with each successive reduction in rates, the use of the telegraphs has enormously increased, as is evidenced from the fact that the earnings are now much greater with the rate at 2*l.* than they were formerly at 20*l.* per message.

| | |
|---|---|
| At one shilling per word, and with four cables out of the five constantly employed, the receipts would be . . . . . | £470,000 |
| The expenses of all the lines, including repairs, would not exceed . . . . | 100,000 |
| Leaving a balance of . . . . . | £370,000 |

to meet an annual charge, terminable in thirty years, of 320,000*l.*

"It is apparent, however, that the reduction to 1s. per word would not be final, but that still further reductions might be made, and the number of cables increased on the same plan of terminable annuities, without becoming any burden on the two Governments.

"The terminable charge for ten cables would be 485,000*l.* a-year, which would be earned by eight of the cables in working order at the rate of 7d. per word, and so on *ad libitum*. On the expiry of the annuities, the cost of communication between the two countries would not be greater than the charges for internal communication.

"The attention of the various Chambers of Commerce in Great Britain is respectfully called to this important question, and the signatures of all parties interested are requested to the accompanying form of concurrence.

Fancy the Chancellor of the Exchequer making his speech on the subject. Let us try and imagine it.

"Sir,—It is my pleasing duty to bring before this House a Bill for the purchase and working of the Atlantic cables. The Government do not think they have sufficient work to do, and think this a good thing to take up. I myself was chairman of one of the companies that at present owns these cables—the French Atlantic Telegraph Company—and am well aware of the lucrative nature of the property. The sum proposed to be paid for these cables is 4,312,500*l.*, that is, 150*l.* for every 100*l.* of stock, the total capital of the Anglo-American and French Atlantic Telegraph Companies being 2,875,000*l.*, and the length of their cables 7,113 miles. In other words, it is proposed to pay 606*l.* for each mile of cable, because we know we might go and lay any number of cables for about 250*l.* a mile. It has further been arranged to purchase the cables and land-lines of the New York, Newfoundland, and London Telegraph Company, for a sum of 800,000*l.*, for the very simple reason that Newfoundland is not

on the direct route to New York. It is, therefore, proposed to raise the sum of 5,112,500*l.* by granting annuities of 5 per cent. for 30 years. It was suggested that this amount should be raised on the joint guarantee of the English and the United States Governments. The United States Government, however, objected to this, on the plea that they could not raise money on the terms mentioned; and, even supposing they could, they suggested that, in case of war between the two countries, the payment of the interest might be found rather an awkward arrangement. In fact, they thought it would be much better that the English Government should raise the whole of the money. The United States Government further objected to paying their share of the purchase-money, as 9-10ths of it would go into English hands, a fact which would scarcely be likely to give much satisfaction in the United States. A further difficulty arose, as one of the cables (the only one which lands in the United States) has its starting point in France, and the French and United States Governments very naturally objected to the English Government working or owning this cable. This difficulty has, however, been overcome by Her Majesty's Government undertaking to carry the messages of both Governments without charge; and it is understood that either of these Governments shall have entire freedom in the laying of cables between France and America, or between America and England. It should be stated that the average number of messages sent each day is about 490, of which about 270 are received from America, and 220 are sent to America, so many as 180 of those going from England and the remainder from the Continent. Thus it will be seen that 180 is the average number of persons in this country who use these cables each day, but that is only the average: probably as many as 600 people send messages during the year. As a matter of comparison, I may state that during the week ending 30th December, 1871, the messages for-

warded from postal telegraph stations in the United Kingdom amounted to 182,929, that being a week when there is less business doing than in any week in the year. There can be little doubt that as many as 200,000 people send messages in the course of a year. It must, however, be remembered that the Government spent 7,000,000*l.* in the purchase of our inland telegraphs, and here we only ask for 5,112,500*l.* I have, moreover, found that the stocks and shares of the three Companies whose *rights* it is proposed to purchase, are held by about 7,000 human beings; and I am assured in Tokenhouse Yard, and in one or two other places in the neighbourhood of Throgmorton Street and Lombard Street, (?) that none of these shareholders are likely to object to this compulsory sale of their property, and, in fact, three gentlemen alone told me they would not mind buying up the whole of the shares and then selling them to me on the terms suggested.

"I am further assured that I can lay two other cables for 1,400,000*l.*, and that they will cost just the same whether they extend to Newfoundland or Halifax, and any number of miles of land lines will be included in this amount. It is chiefly owing to the fact that we shall be able to get cables so cheap hereafter that it has been determined to make this purchase of the present Companies' rights at the extremely low figure of 5,112,500*l.*, and we are assured that we can go on laying cables at the same price *ad libitum*. I understand that the amount paid out to Companies whose lines our messages will have to pass over is 3s. 5d. per ten words, and that this will very probably increase when the cables pass into the hands of Government. This is a fact that is not thought worthy of a moment's consideration, nor is it thought worthy of consideration that we are buying up the Atlantic cables before taking over the cables which give this country telegraphic communication with India and Australia. Sir, I hope this bill will be carried without discussion, as

there are many questions it would be very disagreeable to reply to."

The Chancellor of the Exchequer concluded amidst the openly expressed admiration of his many supporters. Mr. Rig-the-market attempted to reply, but was overcome with tears. The subject then dropped.

## THE ANGLO-AMERICAN TELEGRAPH COMPANY (LIMITED).

CAPITAL.

| | | £ |
|---|---|---|
| Bonds bearing interest at the rate of 7½ per cent. . . . . | | 100,000 |
| Ordinary stock, authorised | £1,675,000 | |
| Less unissued . . | 100,000 | |
| | | 1,575,000 |
| | | £1,675,000 |

The property of the company consists of two cables, between Valentia, on the south-west coast of Ireland, and Heart's Content Bay, in Newfoundland: the length of each of these cables is about 1,890 miles.

Originally the cables were worked by the Anglo-American Company, as agents to the Atlantic Telegraph Company; but, on the 1st of February, 1870, the Anglo-American Company bought up the interest of the Atlantic Telegraph Company in the undertaking for 375,000*l.* of Anglo-American stock at par. The stocks of the two companies at that time were as follows:—

| | £ |
|---|---|
| 7½ per cent. bonds 100,000*l.*, of which there were issued . . . . | 68,200 |
| Anglo-American Telegraph Company 60,000 shares of 10*l.* each, entitled to a preference on the net receipts of 125,000*l.*, and to the rebate of 25,000*l.*, received from the Newfoundland Company mentioned hereafter . . . . . | 600,000 |
| Carried forward . . | 668,200 |

| | | |
|---|---|---|
| Brought forward . | | 668,200 |
| Atlantic Telegraph Company 8 per cent. | | |
| Preference Stock . . . . | £600,000 | |
| Second 8 per cent. Preference Stock . | 41,897 | |
| Ordinary Stock . . , . . | 617,750 | |
| | | 1,259,647 |
| | | £1,927,847 |

The Anglo-American shares were worth £1,200,000 in the market, that is, 100 per cent. premium, so 20*l.* of stock was given for each share of 10*l.* The three stocks of the Atlantic Company were valued in the market at 375,000*l.*, so that amount of stock was created, which was equal to 43*l.* for each 100*l.* of preference stock, and 16*l.* for each 100*l.* of ordinary stock. The Atlantic Telegraph Company was further empowered to issue the bonds which had been paid off (31,800*l.*), making the total amount issued 100,000*l.* The Anglo-American Company also purchased the buildings at Heart's Content and Valentia, which had been paid for by the Atlantic Company in previous years. 1,675,000*l.* was the total amount of ordinary stock authorised to be created, and the directors were empowered at any time to issue the remaining 100,000*l.* for the purpose of paying off the bonds, and this power has been exercised during the past year to the extent I believe of nearly the whole amount.

The messages are taken from London to Valentia, through the Wexford cable, two wires being specially reserved for the American messages; at Heart's Content they are handed to the New York, Newfoundland, and London Telegraph Company, who transmit them as far as Plaister Cove, whence they are sent by the Western Union Telegraph Company direct to New York.

From the opening of the Atlantic cable for traffic, on the 28th July, 1866, until the 15th August, 1869, the Anglo-

American Company had no rival; but immediately upon the opening of the French Atlantic Company's cable for traffic on the latter date, a sharp competition commenced, which resulted in an agreement being made between the two companies for a division of receipts, as follows :—

The gross receipts accruing to the two companies, from messages passing over their lines (the French Company being considered as commencing at Brest and ending at Boston, and the Anglo Company as beginning at Valentia and ending at Plaister Cove), to be divided, by giving the French Company 36⅔ per cent., and the Anglo Company 63⅓ per cent., irrespective of which company may have done the work. Special arrangements are also made in case of the breaking of all or any of the three cables, which are as follows :—

1st. If the Anglo Company should be able to send messages through only one of its cables, for a period exceeding eighteen consecutive months, the division would be 60 per cent. to the Anglo Company, and 40 per cent. to the French Company; and if the one cable continue broken for more than thirty consecutive months, the division will be, until it is repaired, 50 per cent. to each company.

2nd. If the French Company should be unable to transmit messages through its one cable for more than six months, they shall only receive 27 per cent. of the receipts; after eighteen months they would only receive 20 per cent.; and after twenty-four months the Anglo Company would take the whole of the receipts.

3rd. If the Anglo Company should not be able to send messages through *either* of its cables for more than six months, they would only receive 27 per cent. of the receipts; after eighteen months only 20 per cent.; and after two years the French Company would take the whole of the receipts.

4th. If either company is wholly unable to transmit messages for more than twenty-four consecutive months, the company

which *can* transmit messages may give six months' notice to determine the agreement; and if the company in default is at the end of this notice still unable to transmit messages, this agreement will be entirely cancelled.

This company, in conjunction with the French Company, has a steamer suitable for repairing cables, called the "Robert Lowe;" the former company paid $\frac{3}{8}\frac{1}{4}$ths of the cost of purchasing the ship, and the French Company the remainder. Of the cost of keeping up the steamer, the Anglo Company have to pay $\frac{3}{8}\frac{1}{4}$ths, and the French Company the remainder; but while repairs are actually going on the company whose cable is under repair has to bear the whole cost.

This company has an agreement with the Post Office that all messages sent for transmission to America at equal rates shall be handed to them, unless specially marked to go by some other line, and a similar agreement with the Western Union Telegraph Company in America with regard to messages to England.

The Anglo Company is in partnership with the New York, Newfoundland, and London Telegraph Company, and has to give that Company one-third of the receipts after division with the French Company, but receives back as a rebate the sum of 25,000*l.* per annum.

It may be desirable to know that the cable partially laid in 1865 (six and a-half years ago), and completed in 1866, has only been broken or interrupted once, that is, in December, 1870. On the other hand, the cable laid in 1866 has been injured seven times, viz.:—twice in 1867, once in 1868, three times in 1869 (that is, a break in two places at the Heart's Content end, and a flaw at the Valentia end), and once in 1870, but not one of these accidents has been caused by any defect in the cable. Five times they occurred in shallow water close to Heart's Content, and were, from the appearance of the cable, caused either by icebergs or an anchor. The

fault discovered in the cable near Valentia was caused by a puncture during its laying or manufacture. The cable laid in 1866 has now been under-run for a hundred miles from Heart's Content, and relaid with a much thicker type of cable, and by this operation the risk of future accidents is reduced to a minimum. It should be stated that the insulation of both cables has lately been affected, but not to the extent of in any way interfering with the forwarding or receiving of messages.*

The rates charged for messages and the amounts received on each rate have been as follows. The amount received per day includes the Newfoundland proportion, but is less "paid out" to other companies :—

| Daily average No. of Messages. | From. | To. | Tariff. | Average amount per day. |
|---|---|---|---|---|
| 29 ... | July 28, 1866 ... | Oct. 31, 1866 ... | £20 0 0 (per 20 words) | £757 |
| 64 ... | Nov. 1, 1866 ... | Nov. 30, 1867 ... | 10 0 0 (per 20 words) | 868 |
| 131 ... | Dec. 1, 1867 ... | Aug. 31, 1868 ... | 5 5 0 (per 10 words) | 952 |
| 219 ... | Sept. 1, 1868 ... | May 31, 1869 ... | 3 7 6 (per 10 words) | 975 |

The tariff from 1st June, 1869, to 15th August, 1869, was 2*l.* per ten words, with half-rates for the press. On the 15th August, 1869, it was reduced to 1*l.* 10s. 0d. per ten words, and 16s. 8d. per ten words for press messages. This rate continued in force until December, 1870, when it was raised to 3*l.* per ten words, with no half-rates for the press, owing to the fracture of the two Anglo-American cables. The rate was reduced on 1st July, 1871, to 2*l.* per ten words, with no half-rates for the press; and that tariff has since been maintained. The amount received from 1st January to 30th November, 1870, on the 1*l.* 10s. 0d. rate was approximately 1,274*l.* per day. The amount received since the rates have been raised to 3*l.* and 2*l.* has been considerably in excess of the amount received on any other rate, as the public, having been induced to use the cables at 1*l.* 10s. 0d. per ten words, continue to use them at the higher rate.

* It is officially announced that the faults causing the decrease of insulation are close to Valentia, and that the cables can be easily and inexpensively repaired.

I will give the earnings of the Company since 1st May, 1869, showing what the dividends would have been when calculated on the present capital.

| | £ |
|---|---|
| Traffic receipts, after deducting paid-outs and allowing one-third to Newfoundland Company, from 1st May, 1869, to 31st January, 1870 | 127,649 |
| Rebate from Newfoundland Company | 18,750 |
| Interest and Sundries | 4,637 |
| | £151,036 |
| Working Expenses £16,861 | |
| Repairs (two accidents) 20,733 | |
| Interest on Debentures 5,625 | |
| Available for Dividend 107,817 | |
| | £151,036 |

I have not included under the heading of working expenses the office expenses of the Atlantic Telegraph Company or of the joint committee of the two companies, as these items of expenditure are now discontinued. The sum available for dividend (107,817*l.*, earned in nine months) is equal to a dividend of rather more than 9 per cent. per annum.

| | £ |
|---|---|
| The receipts from 1st February, 1870, to 31st January, 1871, were | 205,820 |
| Rebate from Newfoundland Company | 25,000 |
| Interest, &c. | 1,744 |
| | £232,564 |
| Working Expenses £20,568 | |
| Repairs (two accidents) about 15,000 | |
| Interest on Debentures 7,500 | |
| Available for Dividend 189,496 | |
| | £232,564 |

The dividend earned was equal to 12 per cent. The dividend actually paid was 9 per cent., but there was charged

against revenue 12,926*l.* for the purchase of this company's share of the "Robert Lowe," 5,768*l.* for cost of buildings at Heart's Content and Valentia, and 18,400*l.* for cable purchased (since sold), and 16,026*l.* was carried forward towards the cost of laying down the 100 miles of shore end at Heart's Content.

The next accounts are to be made up to the 31st December, 1871, so that the dividend earned will be for eleven months, as they will commence on the 1st February, 1871. The receipts for the year ending 31st December, 1871, showed, I believe, a daily average, after deducting paid outs, of 1,750*l.*; but as the month of January (the best month in the year) will not be included, the average receipts should be taken at 1,700*l.* a day.

| | | £ |
|---|---|---|
| 334 days at 1,700*l.* a day gives . . . . | | 567,800 |
| 36⅔ per cent. to French Atlantic Company . . | | 208,193 |
| | | £359,607 |
| ⅓rd to Newfoundland Company . . . . | | 119,869 |
| | | £239,738 |
| 1/11th of rebate of 25,000*l.* rebate from Newfoundland Company . . . . . | | 22,916 |
| | | £262,654 |
| Working Expenses . . . . | £18,500 | |
| Interest on Bonds . . . . | 6,875 | |
| | | 25,375 |
| | | 237,279 |
| Reserve Fund . . . . . | | 30,000 |
| Available for Dividend . . . . . | | £207,279 |

207,279*l.* earned in eleven months is equal to a dividend of rather more than 14¼ per cent. per annum. I have deducted

30,000*l.* for reserve, as I understand the directors have determined to commence the formation of a considerable reserve fund. Three interim dividends have been paid amounting to 6 per cent.*

It should be observed that, should it be determined to repair the French Company's cable this summer, this Company will have to contribute two-thirds of 10,000*l.* towards the expense.

* A further and final dividend of 3*l.* 3*s.* 4*d.* per cent. has been declared, making the total dividend for the 11 months 9*l.* 3*s.* 4*d.* per cent., which is equal to a dividend of 10 per cent. per annum. It is quite clear that the amount put to reserve must exceed 30,000*l.*

## SOCIETE DU CABLE TRANSATLANTIQUE FRANCAIS (LIMITED).

### French Atlantic Telegraph Company.

### Capital.

| | £ |
|---|---|
| 58,000 ordinary shares of 20*l.* each . | 1,160,000 |
| 2,000 omnium shares of 20*l.* each . | 40,000 |
| | £1,200,000 |

The Company was formed in 1868, and its property consists of two cables, as follows :—

| | Miles. |
|---|---|
| Brest to St. Pierre, Newfoundland . | 2,584 |
| St. Pierre to Duxbury, near Boston | 749 |
| Total | 3,333 |

In addition to which this Company constructed, and laid for its exclusive use, a cable between Salcombe, on the Devonshire coast, and a point on the coast of Brittany north of Brest, but they have to pay the Submarine Telegraph Company for every message sent over it, as that Company has the exclusive right of laying cables between England and France. The messages are transmitted from Duxbury to New York by the Western Union Telegraph Company.

| | £ |
|---|---|
| The capital was required to pay the contractors 920,000*l.* (820,000*l.* in cash, and 100,000*l.* in shares) for the making and laying of the cables between Brest and St. Pierre, and St. Pierre and Duxbury . . . . . | 920,000 |
| Carried forward . . . | 920,000 |

| | |
|---|---|
| Brought forward . . . | £920,000 |
| 100,000*l.* in shares (3,000 ordinary shares, and 2,000 omnium) was paid for the transfer of a concession from the French Government for the exclusive right of laying and working submarine telegraphs between France and the United States from the 1st September, 1869 . . . . | 100,000 |
| The other expenditure, of which "Preliminary Expenses and Advertising (29,233*l.*)," "Commission and Brokerage (20,294*l.*)," "American Concession and Agents and Law Expenses in the United States (14,076*l.*)," $\frac{3}{64}$ of maintenance ship 'Robert Lowe' (11,394*l.*)," "Engineers and Electricians (13,063*l.*)," "Cable from Brest to Salcombe (17,451*l.*)," and "Superintendent and Director's Fees (6,540*l.*)," formed the chief items, amounted to . . . . . | 150,241 |
| Making the total capital expenditure . | £1,170,241 |

And leaving 29,759*l.* of capital unspent.

The holders of the 2,000 omnium shares, after 5 per cent. of the net profits has been put to a reserve fund, and ten per cent. paid on the whole share capital (1,200,000*l.*), are entitled to one-fifth of any profits beyond.

The cable was completed to Duxbury in July, 1869, but the United States Government insisted upon the company renouncing their concession from the French Government, because they (the United States Government) were no party to it. After a considerable amount of negociation the Company had to renounce their concession from the French Government, and they (the French Government) promised to hand over to this company, at equal rates, all messages not specially marked to go by any other route, as well as giving the company the right of amalgamating with any other company.

At the time of the laying of the cable a minute defect was stated to exist between Brest and St. Pierre. The contractors and concessionaries left 40,000*l.* in the hands of the company with the understanding that they were to be bound to repair the cable if called upon at any time up to August, 1871, and to bear the cost of these repairs up to 40,000*l.* Subsequently this arrangement was altered, and the contractors have extended the period for one year on the understanding that if they are called upon to repair the cable this company will have to contribute 20,000*l.* towards the expense. Of this sum of 20,000*l.* the Anglo-American and Newfoundland Companies will have to contribute 10,000*l.*

The line was opened for traffic on the 15th August, 1869, the rate charged for messages being 1*l.* 10*s.* for ten words.

| | | £ |
|---|---|---|
| The traffic receipts from the 15th August to 31st December, 1869, were . . . . . | | 38,900 |
| Working expenses and "paid outs" . . | | 16,314 |
| | | £22,586 |
| Reserve Fund :— | | |
| 5 per cent of 22,586*l* . . | £1,129 | |
| Dividend at the rate of $4\frac{2}{3}$ per cent. per annum . . . . | 21,000 | |
| Carried forward . . . . | 457 | £22,586 |

On the 15th of January, 1870, the arrangement with the Anglo-American Company for a division of traffic (mentioned under the heading of that company) came into operation. It should be mentioned that the line between St. Pierre and Duxbury was broken down from the 28th May to the 9th September, but, owing to the agreement with the Anglo-American Telegraph Company, the messages were sent forward from St. Pierre over the Newfoundland Company's system, without extra cost to this company.

| | | |
|---|---|---|
| The traffic receipts for the year ending 31st December, 1870, amounted to. . . | | £170,744 |
| Interest, &c. . . . . | | 809 |
| Brought forward, 1st January, 1870 . . | | 457 |
| | | 172,010 |
| Working expenses (including Income Tax and repair of Duxbury cable) . | £40,660 | |
| Loss on sale of Duxbury and Boston land line . . . . . | 2,347 | 43,007 |
| | | £129,003 |
| Reserve Fund :— | | |
| 5 per cent. on net profits . . | £6,450 | |
| Dividend (10 per cent.) . . | 120,000 | |
| Carried forward . . . . | 2,553 | |
| | | £129,003 |

During the year ending 31st December, 1871, the rate charged for messages for the first six months was 3*l.* for ten words, and during the second half 2*l.* for ten words. At both these rates the amount received was more than has ever been received on any other rate. The St. Pierre and Duxbury cable was broken down from the 27th May to 29th August. I believe the average amount received per day during the year (including Sundays) was about 1,750*l.*, after deducting "paid outs." The working expenses, exclusive of repairs of accidents and income tax, were not expected to exceed 30,000*l.*

| | | |
|---|---|---|
| 1,750*l.* a-day gives 638,750*l.*, and 36⅔ per cent. of this is . . . . . | | £234,208 |
| Working expenses . . . | £30,000 | |
| Repair of Duxbury cable about | 4,000 | |
| | | 34,000 |
| Carried forward . . . | | £200,208 |

| | | |
|---|---|---|
| Brought forward . . . | | £200,208 |
| Reserve fund :— | | |
| 5 per cent. on 200,208*l* . | £10,010 | |
| Dividend 10 per cent. on 1,200,000*l*. | 120,000 | |
| | | 130,010 |
| | | £70,198 |
| Balance brought forward 1st January, 1871 | | 2,553 |
| | | £72,751 |
| $\frac{1}{5}$th of 72,751*l*. to holders of omnium shares* . . . | £14,550 | |
| Less income tax . . . | 364 | |
| | | 14,186 |
| | | £58,565 |
| Income tax on 200,208*l*. . . . . | | 5,005 |
| Available for further dividend on ordinary shares | | £53,560 |

The amount available for dividend on the ordinary shares 173,560*l*. is equal to a dividend of 14¼ per cent., leaving 2,560*l*. to be carried forward.

The reserve fund at the date of the last accounts amounted to 7,613*l*., that is :—

| | | |
|---|---|---|
| Reserve, 31st December, 1869 . | £1,129 | |
| Sundries added . . . . | 34 | |
| | | £1,163 |
| Reserve, 31st December, 1870 . . . | | 6,450 |
| | | £7,613 |

Three interim dividends, amounting to 6 per cent., have been paid out of the profits for the year ending 31st December, 1871.

* At a Special Meeting of the Company on the 5th February, it will be proposed to make the capital of the Company £1,250,000, divided into 62,500 ordinary shares of £20 each. The holders of the omnium shares to receive 500 ordinary shares (equal to a bonus of 25 per cent.), and from the 1st January, 1872, these shares to be treated as ordinary. The Directors will also ask the power to place a larger sum to ~~receive~~ reserve.

## THE SUBMARINE ROUTE TO INDIA AND THE EAST.

There are seven companies included in the system of submarine telegraphy between England, India, and the East, and the cables belonging to them were all manufactured and laid by the Telegraph Construction and Maintenance Company. It should be understood that all these companies were brought out in connection with one another, and not only is the traffic managed by a joint committee composed of members of each of the different boards, but there is great saving of expense by the division of the cost of rent and expenses of joint stations, and in many other ways.

The companies under this heading commence with the Falmouth, Gibraltar, and Malta Telegraph Company on page 28, and end with the British Australian Telegraph Company on page 54.

## FALMOUTH, GIBRALTAR, AND MALTA TELEGRAPH COMPANY (LIMITED).

CAPITAL.

| | | |
|---|---|---|
| 76,000 shares of £10 each | . . | £760,000 |
| Less unissued: | | |
| 1,837 shares of £10 each | . . . | 18,370 |
| 74,163 | | |
| | | £741,630 |

The company was formed in July, 1869, and its property consists of four cables, 2,430 miles in length, as follows :—

| | Miles. |
|---|---|
| Porthcurno (near Penzance) to Lisbon . . | 824 |
| Lisbon to Gibraltar . . . . . | 331 |
| Villa Real (Guadiana River) to Gibraltar . . | 155 |
| Gibraltar to Malta . . . . . | 1,120 |
| | 2,430 |

The company also owns a land line about ten miles in length from Porthcurno to Penzance, and has the exclusive use of a wire from Penzance to London. There is also a wire about 200 miles in length between Lisbon and Villa Real (erected on poles belonging to the Portuguese Government), which belongs to this company, and of which they have the exclusive use.

Originally it was intended to make the starting point at Falmouth, but it was found that Porthcurno was more suitable for landing a cable.

| | £ |
|---|---|
| The original contract entered into for the making and laying of the cables between Falmouth and Lisbon, Lisbon and Gibraltar, and Gibraltar and Malta, was 640,000*l.*, but owing to the sale of surplus cable, the total cost of these cables, as well as of the land line from Porthcurno to Penzance, and half of the maintenance steamer "Hawk" (4,250*l.*), 550 tons register, was only . . . . . | 619,609 |
| The other expenses, that is, "cost of formation of company (5,250*l.*)," "engineer's charges (2,000*l.*)," "establishment of stations and offices (7,533*l.*)," "current expenditure to date of opening of line (6,412*l.*)," "less interest and transfer fees (3,292*l.*)," amounted to . . . . . | 17,903 |
| | £637,512 |
| The line was opened for traffic on the 13th June, 1870, and unfortunately on the 29th November in the same year, the cable between Lisbon and Gibraltar broke down, and was not repaired again until the 11th February, 1871. Shortly afterwards the cable again showed signs of weakness in the same place, and it was deemed desirable to have the use of a land line from Lisbon to Villa Real, and a cable from there to Gibraltar. The old cable was removed so as to be brought closer to shore, and a considerable portion was re-laid with a heavier type of cable. The alternative line and relaying of the old cable cost . . | 90,022 |
| There has also been spent during the year ending Carried forward . . . | 727,534 |

| | |
|---|---|
| Brought forward . . . | £727,534 |
| 30th September, 1871, on "buildings at stations, &c. (781*l.*)," "alterations to s.s. 'Hawk,' (3,344*l.*)," and "costs re-working agreements, new capital, and other expenses (883*l.*)," the sum of . . . . . | 5,008 |
| Making the total expenditure up to 30th September, 1871 . . . . . | £732,542 |

And leaving a balance of capital unexpended amounting to 9,088*l.*

Before the line was opened the Portuguese Government granted the company the exclusive right for twenty years of establishing submarine telegraph lines between Portugal and England, and between Portugal, Gibraltar, and Malta.

| | | |
|---|---|---|
| The traffic receipts and transfer fees from 13th June, 1870, to 30th September, 1870, were . . . . . | | £21,314 |
| The working expenses were . . . . | | 5,555 |
| | | £15,759 |
| Dividend paid . . . . | £13,200 | |
| Income Tax . . . . | 263 | |
| Carried to reserve fund . . | 2,296 | |
| | | £15,759 |

The dividend paid was at the rate of 6$\frac{2}{3}$ per cent. per annum on the capital as it then stood (660,000*l.*).

| | |
|---|---|
| The traffic receipts, &c., for the half-year ending 31st March, 1871, were . . | £42,292 |
| The working expenses . . . . | 10,227 |
| Carried forward . . . | £32,065 |

| | | |
|---|---|---|
| Brought forward . . . | | £32,065 |
| Dividend paid . . . . | £16,500 | |
| Income Tax . . . . | 274 | |
| | | 16,774 |
| | | £15,291 |
| The expense of repairing the cable between Lisbon and Gibraltar was . . | £15,851 | |
| Less taken from reserve fund . . . | 2,296 | |
| | £13,555 | |
| Carried forward . . | 1,736 | |
| | | 15,291 |

The dividend paid was at the rate of 5 per cent. per annum on 660,000*l.*

It should be noted that, during the half year ending 30th September, 1871, 8,163 shares of 10*l.* each were issued for the purpose of defraying the cost of altering the old cable, and of making the alternative line.

| | |
|---|---|
| The traffic receipts for the half-year ending 30th September, 1871, were . . . | £41,543 |
| Add balance brought forward . . . | 1,736 |
| | £43,279 |
| Working Expenses . . . . . | 9,994 |
| | £33,285 |

| | | |
|---|---|---|
| Dividend and interest on new and old shares . . . | £23,850 | |
| Income Tax . . . . | 538 | |
| Carried to reserve fund . . | 8,897 | |
| | | £33,285 |

The dividend and interest was as nearly as possible at the

rate of 7 per cent. per annum (free of income tax) upon the whole of the share capital issued (741,630*l*).

These figures show that the receipts for a year may be taken as,

| | | £ |
|---|---|---|
| At least . . . . . | | 83,835 |
| And working expenses as . . . . | | 20,221 |
| | | £63,634 |
| Income Tax . . . . | £812 | |
| Reserve Fund (double 8,897*l*.) . | 17,795 | 18,607 |
| Leaving for dividend. . . . . | | £45,027 |

Six-and-a-quarter per cent. on 741,630*l*. is 46,352*l*., and the figures I have given prove that that dividend, at least, may be depended upon. It should be remembered, however, that during the half-year ending 31st March, 1871, the British Indian line was broken down from the 1st to the 13th October, and the Falmouth line (between Lisbon and Gibraltar) from the 29th November to the 11th February. During the first of these break-downs no traffic could be sent to India, and during the break-down of the Lisbon and Gibraltar section very little traffic was able to be sent either to India or the Mediterranean. The traffic of those six months was as follows:—

| | £ |
|---|---|
| October . . . . . | 7,690 |
| November . . . . . | 8,393 |
| December . . . . . | 4,642 |
| January . . . . . | 4,418 |
| February . . . . . | 6,819 |
| March . . . . . | 9,276 |
| | £41,238 |

So that the six months' traffic under ordinary circumstances (taking November as the average) would have been 50,358*l*.,

which would give 9,120*l.* to be added to 45,027*l.*, the amount available for dividend. The amount then likely to be available for dividend under ordinary circumstances is 54,147*l.*, which is equal to, as nearly as possible, 7½ per cent. on the present share capital; and this, it must be remembered, is after placing 17,795*l.* to reserve, which is equal to a further dividend of 2⅜ per cent.

The total amount now standing to the credit of the reserve fund is 8,897*l.*

The s.s. "Hawk," employed as a repairing ship, is jointly owned by this Company and the Anglo-Mediterranean Company.

## MARSEILLES, ALGIERS, AND MALTA TELEGRAPH COMPANY (LIMITED).

CAPITAL.

20,000 shares of 10*l.* each = £200,000.

This company was formed in February, 1870, and its property consists of two submarine cables, 834 miles in length, as follows:—

| | Miles. |
|---|---|
| Marseilles to Bona (Algeria) . . . | 448 |
| Bona to Malta . . . . . | 386 |
| | 834 |

| | | £ |
|---|---|---|
| The capital was raised to pay for the manufacture and laying of the two cables (167,000*l.* in cash during manufacture, and 8,000*l.* in cash, and 20,000*l.* in shares, on the completion of the whole line) . . . . | | 195,000 |
| The other expenses incurred up to the opening of the line amounted to . | £5,306 | |
| The interest received and transfer fees amounted to 530*l.*, and the value of surplus cable to 2,760*l.*, thus reducing the expenditure by . . | 3,290 | 2,016 |
| And making the total expenditure on capital account . . . . . | | £197,016 |

The object of laying this line was to avoid the necessity of

sending messages from France to Egypt, India, and the East, over the Italian land-lines; as it was found that, before the opening of the British Indian line, nearly one-half of the messages between Malta and Egypt were in the French language, and it was considered that on the opening of the line to India this traffic would be greatly increased. The first section (between Marseilles and Bona) was completed on the 28th July, 1870, and opened for traffic on the 1st August, 1870, and was of great service to the French Government in telegraphing to their Algerian possessions, giving a striking instance of the immense value of submarine cables in time of war. The Bona and Malta section was laid on the 11th October, and opened for traffic on the 15th of the same month. The line is worked at Malta by the Anglo-Mediterranean Company, and at Marseilles and Bona the cables are connected with the French Government lines, but are worked by this company's staff.

| | | £ |
|---|---|---|
| The traffic receipts from the opening of the line to the 31st December, 1870, amounted to | | 4,086 |
| Interest and transfer fees | | 6 |
| | | £4,092 |
| Working expenses | £1,309 | |
| Income tax | 46 | 1,355 |
| Leaving a profit of | | £2,637 |

No dividend was declared, owing to a considerable portion of the traffic receipts having been retained by the French Government, and affairs were then in such a bad state in France that it was considered better to carry forward the revenue balance. It should be noted that the directors received no fees after the opening of the line, and that the London office expenses are small, as the Anglo-Mediterranean company provides office-room and the services of a secretary and clerks for the ordinary business at a fixed amount of 300*l.* per annum.

## ANGLO-MEDITERRANEAN TELEGRAPH COMPANY (LIMITED).

CAPITAL.

Ordinary Stock, £430,000.

This company was formed in May, 1868, and its property consists of two cables, between Malta and Alexandria, their total length being 1,900 miles, as follows:—

| | Miles. |
|---|---|
| Cable laid in 1868 . . . | 924 |
| Ditto 1870 . . . | 976 |
| | 1,900 |

| | |
|---|---|
| The capital was raised to pay the contractors for making and laying a cable from Malta to Alexandria, and for the purchase of a land line from Susa in North Italy to Modica in Sicily (1,300 miles) . . . . . | £245,000 |
| The contractors also received 10,000*l.* in shares to absolve this company from a liability of 2,000*l.* a-year to them with respect to the Government cable betwèn Malta and Alexandria, viâ the African coast . . . | 10,000 |
| 4,425*l.* was spent in directors' travelling expenses, &c., up to the opening of the line, and this amount was to be charged against revenue in four instalments, divided over the same number of years . . . . . | 4,425 |
| Carried forward . . | £259,425 |

| | |
|---|---|
| Brought forward . . . | £259,425 |
| During the year ending 30th April, 1870, a half share of the maintenance steamer "Hawk," 550 tons register, was purchased, the Falmouth Company paying the remaining half . | 4,250 |
| | £263,675 |
| At the end of 1870 it was found necessary to obtain another cable to carry the Indian traffic, and this cost, including all expenses, 182,428*l.*, but 11,000*l.* of it was paid for out of the reserve fund, thus reducing the charge against capital to . . . . . | 171,428 |
| | £435,103 |
| Two years' instalments have been written off the preliminary expenses, amounting to . | 2,213 |
| Making the present expenditure on capital account . . . . . | £432,890 |

When the company was first formed a lease was obtained of the English Government cable from Malta, viâ the African Coast, to Alexandria, the agreement being that this company should pay 2,000*l.* a-year, with an extra 3,000*l.* in case the dividend exceeded 10 per cent. This cable was found to work badly. The company have put an end to the lease by purchasing the cable outright for 25,200*l.*, and re-selling it for the same amount to the Telegraph Construction and Maintenance Company. The payment to Her Majesty's Government ceased on the 31st December, 1870.

The land line from Susa to Modica was made use of entirely until the opening of the Falmouth line. It was found to be very expensive to work, and the Italian Government have agreed to relieve the Company of the cost of its maintenance and working, in consideration of the company laying down another cable

between Italy and Sicily at a cost of 1,500*l.*, for which, however, this company is to receive a yearly sum of 250*l.*

The company took possession of the Government cable on the 16th September, 1868, and the new cable commenced working on the 4th of the following month.

| | | |
|---|---|---|
| The traffic receipts from the 16th September, 1868, to 30th April, 1869, were | | £29,923 |
| Interest and transfer fees | | 383 |
| | | £30,306 |
| Working expenses | £6,636 | |
| Ditto of Italian land line | 1,913 | |
| Rent of Government cable | 1,143 | |
| | | 9,692 |
| | | £20,614 |
| Income tax | £255 | |
| Dividend | 16,000 | |
| Reserve fund :— | | |
| 10 per cent. of gross receipts | 2,992 | |
| Ditto, additional for repairs | 1,367 | |
| | | £20,614 |

The dividend was 10 per cent. on 250,000*l.* for 7½ months, and 10 per cent. for three months on 10,000*l.* (the shares transferred to the Telegraph Construction and Maintenance Company).

| | | |
|---|---|---|
| The traffic receipts for the year ending 30th April, 1870, were | | £67,612 |
| Interest and transfer fees | | 478 |
| | | £68,090 |
| Working expenses | £13,325 | |
| Ditto of Italian land line | 2,970 | |
| Rent of Government cable | 5,000 | |
| | | 21,295 |
| Carried forward | | £46,795 |

| | | |
|---|---|---|
| Brought forward . . . | | £46,795 |
| Income tax . . . . . | £1,146 | |
| ¼th of preliminary expenses, 1st instalment . . . . . | 1,106 | |
| Dividend (12½ per cent.) on 260,000*l.* | 32,500 | |
| Reserve fund:— | | |
| 15 per cent. of traffic receipts | 10,142 | |
| Carried forward . . . . | 1,901 | |
| | | £46,795 |

The capital up to this time was 260,000*l.*, but the laying of the new cable necessitated the raising of fresh capital. The whole of the shares were then converted into stock. The shares converted into stock were as under:—

| | |
|---|---|
| 26,000 old shares of 10*l.* 0*s.* 0*d.* each . | £260,000 |
| 26,000 new do. of 6*l.* 10*s.* 0*d.* each . | 169,000 |
| 100 do. do. of 10*l.* 0*s.* 0*d.* each . | 1,000 |
| Stock | £430,000 |

The new cable was laid and handed over to the company on the 22nd November, 1870.

| | | |
|---|---|---|
| The traffic receipts during the year ending 30th April, 1871, were . . . . | | £78,459 |
| Interest and transfer fees . . . . | | 330 |
| Brought forward 1st May, 1870 . . . | | 1,901 |
| | | £80,690 |
| Working expenses. . . . | £18,310 | |
| Ditto of Italian land line . . | 2,490 | |
| Rent of Government cable . . | 3,333 | |
| | | 24,133 |
| Carried forward . . . | | £56,557 |

| | | |
|---|---|---|
| Brought forward . . . | | £56,557 |
| Income tax. . . . . | £739 | |
| ¼th of preliminary expenses (2nd instalment) . . . . . | 1,106 | |
| Dividend . . . . . | 46,858 | |
| Reserve fund:— | | |
| 10 per cent. of gross receipts . | 7,846 | |
| Carried forward . . . . | 8 | |
| | | £56,557 |

The dividends paid on the capital of 260,000*l.*, from the 1st May to 31st October, 1870, were at the rate of 8 per cent. per annum: a dividend was also paid on the new shares up to the 31st October, 1870, at the same rate, according to the date at which the calls were paid. A further interim dividend, at the rate of 8 per cent. per annum on the whole capital, was paid up to the 31st January, 1871, and 6 per cent. on the whole capital up to the 30th April, 1871. The dividend paid, £46,858, is equal to rather more than 10¾ per cent. upon the total capital. The traffic for the year ending 30th April, 1871, was materially affected by the break-downs of the Falmouth and British Indian lines (mentioned under the heading of those companies), and there is little doubt, had these break-downs not occurred, the traffic would have been at least 90,000*l.* It must be remembered, too, that in future there will not be the expenses of the Government cable, or of the Italian land-line. Under ordinary circumstances, then, the revenue may be expected to work out as follows:—

| | |
|---|---|
| Traffic receipts . . . . . | £90,000 |
| Interest and transfer fees . . . . | 330 |
| | £90,330 |
| Working expenses. . . . . | 18,310 |
| Carried forward . . . | £72,020 |

| | | |
|---|---|---|
| Brought forward . . . | | £72,020 |
| | £ | |
| Income tax . . . . . | 1,801 | |
| Preliminary expenses . . . | 1,106 | |
| Reserve fund:— | | |
| 10 per cent. of gross receipts . | 9,000 | |
| Available for dividend . . . | 60,113 | |
| | | £72,020 |

60,113*l.*, the amount available for dividend, is equal to as nearly as possible 14 per cent. upon the total capital of the company. The accounts of the company are in future to be made up to the 31st of March, instead of 30th April, so that the next accounts will be for 11 months instead of 12. An interim dividend of 1*l.* 6*s.* 8*d.* per cent. was paid on the 1st October, 1871, for the two months ending 30th June; a further interim dividend of 2 per cent. was paid on the 1st January, 1872. In future, interim dividends will be paid on the 1st April, 1st July, and 1st October, and the balance on the 1st June.

The reserve fund stands as follows:—

| | | |
|---|---|---|
| | | £ |
| Reserve, 30th April, 1869 . . . . | | 4,359 |
| Do. 30th April, 1870 . . . . | | 10,142 |
| Do. 30th April, 1871 . . . . | | 7,846 |
| | | £22,347 |
| Repairs of Government line, now sold . . . . . | £ 7,547 | |
| Amount transferred to cost of new cable . . . . . | 11,000 | |
| | | £18,547 |
| In hand . . . . . | | £3,800 |

It should be noticed that neither of the cables belonging to the company have ever been injured.

## BRITISH INDIAN SUBMARINE TELEGRAPH COMPANY (LIMITED).

| | | |
|---|---|---|
| 120,000 shares of 10*l.* each | | £1,200,000 |
| Less unissued 1,250 | do. do. | 12,500 |
| 118,750 | | £1,187,500 |

The company was formed in January, 1869, and its property consists of two submarine cables, as follows:—

| | Miles. |
|---|---|
| Suez to Aden . . . . . | 1,460 |
| Aden to Bombay . . . . . | 1,818 |
| Total . . . | 3,278 |

The company also owns two land lines between Alexandria and Suez, one going viâ Cairo (224 miles), and the other viâ Benha and Zagazig (about 230 miles).

The land lines from Bombay to Madras, Calcutta, and other stations in India are the property of, and are maintained by the Indian Government.

| | £ |
|---|---|
| The capital was raised for the purpose of paying the contractors 1,000,000*l.* (540,000*l.* in cash, and 460,000*l.* in shares) for the making and laying of the two cables, and the transfer to this company of the maintenance steamer "Chiltern," 886 tons register; but owing to the sale of surplus cable this amount was reduced to . . | 964,053 |
| Carried forward . . . | £964,053 |

| | | |
|---|---|---|
| Brought forward . . . | | £964,053 |
| £37,500 in shares was paid for the land line from Alexandria to Suez (viâ Cairo) . . | | 37,500 |
| The public, who subscribed 550,000*l.* (540,000*l.* for the contractors, and 10,000*l.* for general purposes), were entitled, upon the completion of the line, to 137,500*l.* in shares, that is, a bonus of 25 per cent. upon the amount subscribed . . . . . | | 137,500 |
| The cost of formation of the company (5,653*l.*), engineers' charges (5,000*l.*), establishment of stations and offices (8,451*l.*), and current expenditure to opening of the line (14,668*l.*), amounted to . . | £33,772 | |
| The interest and transfer fees received amounted to . . . | 3,799 | 29,973 |
| Making the total capital expenditure up to the opening of the line . . . . | | £1,169,026 |
| During the year ending 30th September, 1871, there has been spent on a new land line in Egypt (viâ Benha and Zagazig), instruments, furniture, &c. (6,500*l.*), and costs relating to working agreements (528*l.*) . . . | | 7,028 |
| The total capital expended is . . . | | £1,176,054 |
| And the capital unexpended amounts to . . | | £11,446 |
| The line was opened for traffic on the 26th March, 1870, and between that date and the 30th September, 1870, the traffic receipts amounted to . . . . . | | 49,869 |
| But the loss on exchange, 641*l.*, reduced the receipts to . . . . . | | 49,228 |
| Carried forward . . . | | £49,228 |

| | | |
|---|---|---|
| Brought forward . . . | | £49,228 |
| Transfer fees amounted to . . . . | | 289 |
| | | £49,517 |
| The working expenses (including 173*l.* interest and discounts) were . . . . . | | 15,772 |
| | | £33,745 |
| Dividend paid (5s. per share) . . | £29,688 | |
| Income-tax . . . . . | 562 | |
| Reserve fund . . . . . | 3,495 | |
| | | £33,745 |

The dividend of 5s. per share was at the rate of rather more than $4\frac{13}{16}$ per cent. per annum; it should be noted, however, that the line was broken down from the 24th September, and that the Falmouth line was not opened for traffic until the 13th of June.

During the half-year ending 31st March, 1871, this company was even more unfortunate, as the break-down of the 24th September was not repaired until the 13th October, and the Falmouth line was broken down from the 28th November to the 11th February. Under ordinary circumstances the Marseilles line would have been available to carry the traffic, but the war on the Continent prevented this, consequently the traffic on this company's line was materially affected.

| | | |
|---|---|---|
| The traffic receipts for the half-year amounted to . . . . . | | £ 43,585 |
| Less loss on remittances . . . . | | 1,086 |
| | | £42,499 |
| Transfer fees . . . . . | £101 | |
| Interest . . . . . | 45 | |
| | | 146 |
| Carried forward . . . | | £42,645 |

| | | |
|---|---|---|
| Brought forward . . . | | £42,645 |
| Working expenses . . . . . | | 15,927 |
| | | £26,718 |
| Income-tax . . . . . | £1,389 | |
| Dividend (4s. per share) . . . | 23,750 | |
| Carried forward . . . . . | 1,579 | |
| | | £26,718 |

The dividend of 4s. per share was at the rate of 4 per cent. per annum.

| | | £ |
|---|---|---|
| During the half-year ending 30th September, 1871, the traffic receipts were . . . | | 64,255 |
| Less loss on remittances. . . . . | | 2,572 |
| | | £61,683 |
| Balance brought forward . . . . . | | 1,579 |
| Transfer fees . . . . . | | 120 |
| | | £63,382 |
| Working expenses (including interest and discount, 205*l.*) . . . . . | | 16,181 |
| | | £47,201 |
| Income-tax . . . . . | £799 | |
| Dividend (6s. per share) . . . | 35,625 | |
| Reserve fund . . . . . | 10,777 | |
| | | £47,201 |

The dividend of 6*s.* per share was at the rate of 6 per cent. per annum.

| | £ |
|---|---|
| The receipts for the two half-years were . . | 104,448 |
| And the working expenses . . . . . | 32,108 |
| Carried forward . . . | £72,340 |

| | | |
|---|---|---|
| Brought forward . . . | | £72,340 |
| | £ | |
| Income tax . . . . . | 2,188 | |
| Reserve fund (double 10,777*l.*) . | 21,554 | |
| | | 23,742 |
| Leaving for dividend . . . . . | | £48,598 |

48,598*l.* is equal to a dividend of rather more than 4 per cent. It is, however, necessary to remember that during the March half-year the traffic, owing to the breakdowns, was only 42,499*l.*, yet in the September half-year it was 61,683*l.*; and it is well-known that the former would, under ordinary circumstances, have been greater than the latter, as January, February, and March are the best months of the year, and July, August, and September the worst. The traffic during the March half-year was as follows:—

| | £ |
|---|---|
| October . . . . . | 5,156 |
| November. . . . . | 7,453 |
| December. . . . . | 3,920 |
| January . . . . . | 5,461 |
| February . . . . . | 7,419 |
| March . . . . . | 11,901 |
| | £41,310 |

It may be fairly assumed that under ordinary circumstances the traffic would have been 70,000*l.* at least, and this gives 27,501*l.* to be added to the amount available for dividend (48,598*l.*) which would make the amount available (76,099*l.*) equal to a dividend of as nearly as possible 6½ per cent., after putting 21,554*l.* to reserve fund, which is equal to a further dividend of rather more than 1¾ per cent.

The reserve fund stands as follows:—

| | |
|---|---|
| Reserve, September, 1870 . . | £3,495 |
| Repairs, October, 1870 . . . | 2,772 |
| | £723 |
| Reserve, September, 1871. . . | 10,777 |
| | £11,500 |

During the half year ending March, 1871, the "Chiltern" was hired by the Falmouth Company, and 1,817*l.*, the amount received, credited to "reserve for the repairs to maintenance ship."

## BRITISH INDIAN EXTENSION TELEGRAPH COMPANY (LIMITED).

### Capital.

| | | | | |
|---|---|---|---|---|
| | 46,000 | shares of | 10*l.* each | = £460,000 |
| Unissued | 750 | do. | do. | 7,500 |
| | 45,250 | do. | do. | £452,500 |
| Mortgage Debentures at 6 per cent. | | | | 24,000 |
| | | | | £476,500 |

The property of the company consists of two cables, 1,814 miles in length, as follows:—

| | Miles. |
|---|---|
| Madras to Penang . . . | 1,409 |
| Penang to Singapore . . . | 405 |
| | 1,814 |

The land lines from Madras to Bombay, Calcutta, and other stations in India, are the property of, and are maintained by the Indian Government.

The company was formed in October, 1869, and it was originally intended to make Galle (Ceylon) the starting point, but on the representations of the Indian Government as to extra facilities for traffic, Madras was selected instead.

The contract entered into for making and laying the two cables between Galle and Singapore was 440,000*l.* (310,000*l.* in cash, and 130,000*l.* in shares; of the latter, 50,000*l.* to be

| | |
|---|---|
| reserved until the line had been in working order for thirty consecutive days) . . . . . | £440,000 |
| When the starting point was altered to Madras, the contractors demanded a further sum of 14,500*l*. This payment was met by the issue of debenture bonds for that amount. A further sum of 209*l*. was paid for cable houses at stations . . . . . | 14,709 |
| | £454,709 |
| The contractors allowed 4,500*l*. to be deducted from this, so that the company might make their own arrangements as to buildings, furniture, and instruments at stations . . | 4,500 |
| | £450,209 |
| When the Penang-Singapore cable was laid, it was found that the insulation of the cable did not strictly comply with the contractors' standard; and though substantially perfect in every other respect, the contractors agreed to relinquish their claim to the extent of 7,500*l*. in shares . . . . . | 7,500 |
| | £442,709 |
| Surplus cable reduced the cost by . . . | 2,551 |
| | £440,158 |
| The company also purchased, in conjunction with the China company, the maintenance steamer, "Agnes"; this company's share (half), amounting to 9,753*l*. Bonds for 9,500*l*. were issued to meet this extra expenditure . | 9,753 |
| Carried forward . . . | 449,911 |

| | | |
|---|---|---|
| Brought forward . . . | | £449,911 |
| The other expenditure, that is, "Cost of formation of company (4,749*l.*)," "Engineers' charges (5,000*l.*)," "Cost of establishment of London offices and stations (5,558*l.*)," and "Current Expenses to opening of line (6,158*l.*)," amounted to . . | £21,465 | |
| Interest, Transfer Fees, &c., received, reduced this amount by . . | 1,680 | |
| | | 19,785 |
| Making the total capital expenditure . . | | £469,696 |

The Penang-Singapore cable was completed on the 10th December, 1870, and the cable between Penang and Madras on the 31st December, the whole line being opened for traffic on the 4th January, 1871.

No accounts have as yet been published shewing the working of the line, but at a meeting of the company held on the 21st July, it was stated that the receipts from the 4th January to the 30th June had approximately amounted to 19,500*l.*, and an interim dividend was declared for that period at the rate of 6 per cent. per annum. It should be remembered, in looking at these figures, that the China company's cable was not opened for traffic until the 8th of June. A further interim dividend at the rate of 6 per cent. per annum was announced for payment on the 5th January, 1872.

A slight fault developed itself in the cable between Singapore and Penang, but it was repaired in the course of a few hours on the 7th June.

## CHINA SUBMARINE TELEGRAPH COMPANY (LIMITED.)

CAPITAL.

| | | |
|---|---|---|
| 52,500 shares of 10*l.* each | = | £525,000 |
| 6 per cent. Debenture Bonds | = | 9,600 |
| | | £534,600 |

The company was formed in December, 1869, and its property consists of two submarine cables, 1,595 miles in length, as follows:—

| | Miles. |
|---|---|
| Singapore to Saigon (Cochin China) . . | 620 |
| Saigon to Hong Kong . . . . . | 975 |
| | 1,595 |

| | £ |
|---|---|
| The contract for the cable was £508,000, (£408,000 in cash, and £100,000 in shares, of which £50,000 was to be reserved until the line had been in working order for 30 consecutive days), but owing to the surplus cable which was left, and a reduction made on account of the fitting up of the stations, the amount was reduced to . . . | 499,214 |
| There was also paid £9,929 for a half share of the maintenance steamer "Agnes," and 6 | |
| Carried forward . . . | £499,214 |

| | | |
|---|---|---|
| Brought forward . . . | | 499,214 |
| per cent. bonds for £9,600 were issued to meet this . . . . . | | 9,929 |
| | | £509,143 |
| The other expenditure, that is "cost of formation of company (£4,738)," "engineer's charges (£3,000)," "cost of establishment of London Office and stations (£5,577)," and "current expenditure to opening of line (£7,183)," amounted to . | £20,498 | |
| but interest, transfer fees, &c., received, reduced this amount by | 1,538 | 18,960 |
| making the total capital expenditure . . . . . | | £528,103 |

The contractors paid interest at the rate of five per cent. per annum on the paid-up capital of the company until 30th June, 1871, the date fixed by the contract for the opening of the line. It was originally intended to continue this company's line to Shanghai, and power was given to raise extra capital, but an arrangement has since been entered into with the Great Northern China and Japan Extension Company, by which the latter company agrees, that after deducting 15,000*l.* for working expenses in each year, they will give the China Company one half of the amount received for messages between Hong Kong and Shanghai. There is no doubt that this is a favourable agreement for this company and is certainly far better than laying an opposition cable.

The cable from Singapore to Hong Kong was completed on the 3rd June, 1871, and opened for traffic on the 8th of the same month. The cable in the first instance was not landed at

Saigon, as terms were not able to be arranged with the French Government, but subsequently the terms asked by the Directors, "entire freedom of action," were granted, and the connection was made on the 31st July.

No detailed account of the revenue has yet been published, but at the meeting held on the 22nd November, it was stated that the receipts for the half year ending 4th November, 1871, amounted to £26,895, and that the expenses were estimated at £6,550. It was further stated that the Directors hoped to be able to pay a dividend at the rate of 6 per cent. per annum in January. This dividend has since been declared and made payable on the 4th January.

## BRITISH AUSTRALIAN TELEGRAPH COMPANY (LIMITED).

CAPITAL.

| | | | |
|---|---|---|---|
| 66,000 | shares of | 10*l.* each | = £660,000 |
| Less unissued 984 | do. | do. | = 9,840 |
| 65,016 | | | £650,160 |

The company was formed in January, 1870, and its property consists of two submarine cables, 1,751 miles in length, as follows:—

| | Miles. |
|---|---|
| Singapore to Batavia (Java) . . . . | 565 |
| Banjoewangi (Java) to Port Darwin (in northern territory of South Australia) . . . | 1,186 |
| | 1,751 |

The land-line in Java, from Batavia to Banjoewangi (480 miles), is the property of the Dutch Government, and is worked by them.

Originally it was intended that the Port Darwin cable should touch at the island of Timor, and that the company should make a land-line, 800 miles in length, from Port Darwin to Burketown, in the territory of Queensland, where it would have been connected with the existing land-lines. The South Australian Government, however, undertook to make and

maintain a land-line, direct from Port Darwin to Port Augusta, near Adelaide (1,400 miles), in connection with existing land-lines.

| | £ |
|---|---|
| The contract entered into for the making and laying of the submarine cables, and 800 miles of land-line, and the transfer to this company of the steamer "Investigator," 569 tons register, as a maintenance ship, was 634,000*l.* (514,000*l.* in cash, and 120,000*l.* in shares, the shares to be handed over as follows: 20,000*l.* on the shipment of the cable, 50,000*l.* when the line is completed, and 50,000*l.* when it has been in working order for thirty consecutive days) . . | 634,000 |
| When the Australian land-line was abandoned, the contractors undertook to reduce their contract by the sum of 52,000*l.* (42,160*l.* in cash, and 9,840*l.* in shares). . . . | 52,000 |
| | £582,000 |
| A further sum of 26,000*l.* was raised for general purposes . . . . . | 26,000 |
| | £608,000 |

At the meeting of the company held in February, 1871, the directors were authorised to use the sum of 42,160*l.* (which was, in the first instance, to have been paid to the contractors) in purchasing the shares of the company in the market; and, as they were then at a discount, it may be assumed that when the next accounts are published the total number of shares issued will have been reduced to, at most, 60,800, and the paid-up capital of the company to 608,000*l.*

The company has the power (if exercised within about six months from this time) of purchasing the cable laid between

Melbourne and Tasmania, for a sum of 70,000*l.*, upon which the Tasmanian Government guarantee the sum of 4,200*l.* per annum.

The contractors guaranteed interest at the rate of 5 per cent. per annum on the paid-up capital of the company (payable half-yearly) until the 31st December, 1871, the date fixed for the opening of the whole line, or any earlier day on which the contractors shall have completed the works.

The laying of the cable between Singapore and Batavia was completed on the 14th November, 1870, and between Banjoewangi and Port Darwin on the 22nd November, 1871. Unfortunately, the Australian Government line, from Port Darwin to Port Augusta, is not yet completed, and it is at present uncertain when it will be.

## THE OVERLAND ROUTE TO INDIA AND THE EAST.

——o——

It is necessary to state, that though the Great Northern, and Great Northern, China, and Japan Extension Companies (whose cables were manufactured by Mr. W. Hooper) are included under this heading, they are not possessed of any land-lines, but the connection between the two companies is by means of the Russian Government lines through Siberia. The property of the Indo-European Telegraph Company is entirely land-lines, which were constructed and erected by Messrs. Siemens Bros.

The companies under this heading commence with the Great Northern Telegraph Company, on page 58, and end with the Indo-European Telegraph Company, on page 64.

## *GREAT NORTHERN TELEGRAPH COMPANY OF COPENHAGEN.

(Incorporated under Danish Law, with Limited Liability.)

CAPITAL.

40,000 shares of 10*l.* each = £400,000.

This company was formed 1st June, 1869, and is possessed of six submarine cables, 1,070 miles in length, as follows:—

| | Miles. |
|---|---|
| Newbiggin (Northumberland) to Söndervig (Denmark) | 334 |
| Hirtshals (Denmark) to Arendal (Norway) | 66 |
| Möen Do. to Bornholm (an island in the Baltic Sea). Bornholm to Libau (Russia) | 304 |
| Peterhead (Aberdeenshire) to Egersund (Norway) | 270 |
| Grislehamn (Sweden) to Nystad (Russia) | 96 |
| | 1,070 |

*It is announced that meetings of the Shareholders of the Great Northern, and Great Northern China and Japan Extension Companies will be held at Copenhagen on the 22nd and 23rd February, for the purpose of authorising an amalgamation of the two companies. The capital of the new company is to be £1,500,000.

| | £ |
|---|---|
| The Great Northern shareholders will receive 5 shares of £10 for every 4 shares of £10, which will make their holding in the Company 50,000 shares, or ... ... ... ... | 500,000 |
| The Extension Company shareholders will receive 1 share of £10 for each share they now hold, that is 60,000 shares, or | 600,000 |
| They will also have the right of subscribing at par for 1 share, of £10 upon each 4 shares now held, that is, 15,000 shares, or | 150,000 |
| | £1,250,000 |

With the additional capital raised it is proposed to lay another cable between Denmark and England; also to make a station at Amoy, between Hong Kong and Shanghai, and to provide a steamship for the use of the Company in the East Asiatic Sea, and this ship is also to be used as a salvage and diving ship. The remaining shares are to be issued as required, but any premiums on issue are to be credited to the reserve fund. The amalgamation is to date from 1st January, 1872.

The messages to Russia, over the Danish English line, are forwarded from Söndervig to Möen over the Danish Government lines, thence by this company's cable to Libau, and from there by the Russian Government line to St. Petersburg, Moscow, and all other Russian stations. The messages to Russia over the Norwegian Scotch line, are forwarded from Egersund to Christiana by the Norwegian Government line, from Christiana to Grislehamn by the Swedish Government line, thence by this company's cable to Nystad, and from there to St. Petersburg, &c., by the Russian Government line. Thus there are two distinct routes between England and Russia; but beyond this, if either the Möen Libau, or Swedish Russian cables be out of order, the messages can be sent by either route, by means of the connection of Denmark and Norway, through the Hirtshals and Arendal cable. Most of the cables of this company, as well as those of the China and Japan Extension Company, are worked by Wheatstone's Automatic Instrument.

The company did not lay their own cables, but purchased the whole of them, with sundry concessions, from three other companies, for a sum of 400,000*l*. These concessions allow this company the exclusive right of transmitting messages between the points where their cables are laid for thirty years, and the Russian concession gives a subvention of one franc on certain messages transmitted from Russia. After these concessions expire, this company has a preference in their renewal, and in any case retains its cables and the right of using them.

It should be noted that when the Company commenced working only three of the cables were laid: that is, from Newbiggin to Söndervig, from Hirtshals to Arendal, and from Möen to Bornholm. The Bornholm-Libau cable was opened on the 5th June, 1870, the Peterhead and Egersund cable on the 21st August, and the Grislehamn and Nystad

cable on the 1st November. The cable between Peterhead and Egersund was interrupted from the 28th October to the 24th November. It was stated that the repairs might have been made in a few hours, but it was thought better to remove the cable at Peterhead (it having been laid too close to some projecting rocks) into a better position, and strengthen it considerably. The shore end at Möen was likewise taken up and strengthened. The expense of these repairs and alterations was charged against revenue in the year ending 31st December, 1870.

| | | |
|---|---|---|
| The receipts from the 1st June to 31st December, 1869, were | | £15,621 |
| Add difference of exchange | | 37 |
| | | £15,658 |
| Working expenses | | 1,101 |
| | | £14,557 |
| Reserve fund:— | | |
| Ten per cent. of net receipts (15,621*l.*, less 1,101*l.*) | £ 1,452 | |
| Dividend | 13,000 | |
| Carried forward | 105 | |
| | | £14,557 |

The dividend paid (13,000*l.*) was at the rate of rather more than $5\frac{2}{16}$ per cent. per annum.

| | |
|---|---|
| The receipts for the year ending 31st December, 1870, were | £ 48,227 |
| Less commission and difference of exchange | 303 |
| | £47,924 |
| Brought forward, 1st January, 1870 | 105 |
| Interest | 142 |
| Carried forward | £48,171 |

| | | |
|---|---|---|
| Brought forward . . . | | £48,171 |
| Repairs of Peterhead cable, 1869 . | £1,014 | |
| Furniture and instruments supplied to stations . . . . . | £1,327 | |
| Working expenses . . . . . | 6,167 | |
| | | 8,508 |
| | | £39,663 |
| Reserve fund . . . . . | £4,108 | |
| Dividend . . . . . | 35,555 | |
| | | £39,663 |

The dividend paid was rather more than 8⅞ per cent.

The traffic receipts are published monthly. The approximate traffic receipts for the year ending 31st December, 1871, were 1,163,668 francs (46,547*l.*), so that the revenue may be expected to work out as follows:—

| | | |
|---|---|---|
| Receipts . . . . . | | £46,547 |
| Working expenses . . . . | £6,200 | |
| Repairs (say) . . . . . | 500 | |
| | | 6,700 |
| | | £39,847 |
| Reserve fund:— | | |
| 10 per cent. of net receipts . | 3,985 | |
| Dividend . . . . . | 35,862 | |
| | | £39,847 |

This dividend would be equal to nearly 9 per cent. for the year. The Newbiggin and Söndervig cable was interrupted for ten days during September.

Interim dividends of 2½ per cent. are paid on the 1st July and 1st January, and the balance in April.

The reserve fund is as follows:—

| | |
|---|---|
| Reserve, 31st December, 1869 . . . | £1,452 |
| Do. 31st December, 1870 . . . | 4,108 |
| | £5,560 |

## GREAT NORTHERN TELEGRAPH CHINA AND JAPAN EXTENSION COMPANY.*

(Incorporated under Danish Law, with Limited Liability.)

CAPITAL.

60,000 shares of 10*l.* each = £600,000.

The company was formed in January, 1870, and its property consists of three submarine cables, 2,139 miles in length, as follows:—

| | Miles. |
|---|---|
| Wladivostock (Posiett Bay) to Nagasaki (Japan) . | 760 |
| Nagasaki to Shanghai . . . . . | 482 |
| Shanghai to Hong Kong . . . . . | 897 |
| | 2,139 |

I have mentioned, in my account of the China Submarine Company, the terms made with that company to avoid their laying an opposition cable between Hong-Kong and Shanghai. The Russian Government has granted to this company the exclusive right, for thirty years, of connecting China and Japan with Europe through the government wires on Russian territory. This concession also provides for a renewal of these exclusive privileges on preferential terms at the expiration of the thirty years, and in any case secures to this company the continuance of the right of the transmission of their messages through the Russian land lines. These land lines extend from Posiett Bay, by way of Kabarowka, Tehita, Irkutsk, Tomsk, Omsk, Perm, and Moscow, to Libau, the terminus of the Great Northern Company. Their total length is about 5,560 English miles. The maintenance of these land lines is guaranteed by the Russian Government. The Company entered into a contract for the making of their cables for a sum of 396,000*l.*, but undertook the laying themselves; and the remainder of the capital was raised for the purpose of paying for the laying of

* See Note on page 58.

the cables, for the purchase of the Russian Government concession for a sum of 25,000*l.*, and for general purposes.

The maximum tariff for messages from any of the stations in China or Japan to the western frontier of Russia has been fixed by the concession at 100 francs per single message of twenty words (of which 60 francs accrue to this company and 40 francs to the Russian Government).

The charge from London to Wladivostock, Nagasaki, Shanghai, or Hong Kong (viâ the Russian land lines) is only 4*l.* 6*s.* per 20 yards.

The laying of the cable between Hong Kong and Shanghai was completed on the 29th March, 1871, and opened for traffic on the 18th April, but until the opening for traffic of the cable of the China Submarine Company on 8th June there was no direct communication with Europe. The Shanghai and Nagasaki cable was completed on the 4th August, and the Nagasaki and Wladivostock cable on the 30th August. The Russian land lines, which terminate at Wladivostock, were not completed until the 20th November, and at that time the cables between Nagasaki and Hong Kong were out of order, so that messages were not able to be sent (viâ the Russian land line) to Shanghai until 7th December, nor to Hong Kong before the 18th December.

The unfortunate interruptions of the cables through damage by anchors has no doubt seriously affected the traffic receipts.

No accounts have yet been published, nor will there be until April next.

The traffic receipts from the opening of the line to the 31st December, 1871, were 403,915 francs (16,157*l.*), of which 109,162 francs (4,366*l.*) was received during the months of November and December.

## INDO-EUROPEAN TELEGRAPH COMPANY (LIMITED).

CAPITAL.

| | | |
|---|---|---|
| 18,000 shares of 25*l.* each | = | £450,000 |
| Less unissued 1,000 shares of 25*l.* each | = | £25,000 |
| | | £425,000 |

This company was formed in April, 1868, and its object was to connect England with India by means of land wires starting from Emden, near Hanover (the terminus of the Lowestoft and Norderney cable), through North Germany (touching at Berlin) to the Russian frontier at Alexandrowa, thence, viâ Warsaw, Gitomir, Odessa, Kertch, and Tiflis, to the Persian frontier at Djulfa; thence, viâ Tabreez, to Teheran, the capital of Persia, where it joins the system of the Government of India Telegraphs through Southern Persia, and the Persian Gulf to Kurrachee. The property actually belonging to the company is all land-lines, though the company were possessed of a cable in the Black Sea, between Scotcha and D'juba; but this cable was partially swallowed up by an earthquake in July, 1870, and it was not thought worth while to have it picked up. A land-line has now been laid along the coast between these points. The line was opened for traffic on the 31st January, 1870; but the break-down of the Black Sea cable, and frequent interruptions of the land-line, so affected the receipts that they were not quite sufficient to meet the working expenses. The receipts amounted to 25,268*l.*, but there is little doubt that during the year ending 31st December, 1871, they will be considerably in excess of that amount.

## COMPANIES IN AND ABOUT THE WEST INDIES.

All the cables for the three companies under this heading were manufactured, or are to be manufactured, by the India-Rubber, Gutta Percha, and Telegraph Works Company.

The companies under this heading begin with the Cuba Submarine Telegraph Company, on page 66, and end with the Panama and South Pacific Telegraph Company, on page 72.

## CUBA SUBMARINE TELEGRAPH COMPANY (LIMITED).

### Capital.

16,000 shares of 10*l.* = 160,000*l.*, with power to raise 50,000*l.* by bonds.

This company was formed in January, 1870, and its property consists of a cable 520 miles in length, that is:—

| | Miles. |
|---|---|
| From Santiago to Batabano . . . | 520 |

It was intended that the cable should touch at Cienfugos, but owing to the insurrection in Cuba it was thought wise not to land it; it was, however, taken within two miles of the shore, and can at any time be picked up and connected with the town, when the state of the country will permit of this being done with safety.

The company has also a land line (30 miles in length) from Batabano to Havana, where it connects, by means of the International Ocean Telegraph Company's cables, with Florida, and from there by land lines with all the chief towns in the United States. It holds an exclusive concession (for forty years) from the Spanish Government for connecting Havana, Batabano, Cienfugos, and Santiago by telegraph. The company owns a part of the maintenance steamer "Suffolk," in conjunction with the International Ocean, and West India and Panama Companies.

| | £ |
|---|---|
| The cost of the cable was . . . . | 147,000 |
| And the cost of erecting the land line, and purchasing this company's share of the "Suffolk," was . . . . . | 8,016 |
| Carried forward . . . | £155,016 |

| | |
|---|---|
| Brought forward . . . | £115,016 |
| The preliminary expenses amounted to 1,087*l.*, but this amount has been charged against revenue, making the total expenditure on capital account . . . . . | £155,016 |

And leaving a balance unexpended of 4,984*l.*, without raising any money on the bonds.

| | | |
|---|---|---|
| The line was completed on the 12th September, 1870, and the West India and Panama Company's cable, from Santiago to Jamaica, was completed on the 17th of the same month but unfortunately no part of that company's system had been connected with Jamaica up to the 30th June, 1871; nevertheless, the receipts from the 12th September to the 30th June, 1871, amounted to . . . . . | £ 6,756 | |
| And interest, &c., to . . . . . | 355 | |
| | | £7,111 |
| The working expenses were . . . . . | 4,102 | |
| | | £3,009 |
| Reserve fund . . . . . | £1,600 | |
| Preliminary expenses written off . | 1,087 | |
| Carried forward . . . . . | 322 | |
| | | £3,009 |

There is no doubt that the directors acted wisely in commencing the formation of a reserve fund at once, as well as writing off the whole of the preliminary expenses, in preference to the declaration of a dividend which was not properly earned. The fact of 6,756*l.* in traffic having been received under such adverse circumstances, says a great deal for the future prospects of this little company.

## WEST INDIA AND PANAMA TELEGRAPH COMPANY (LIMITED).

### Capital.

65,000 shares of 10*l.* each = 650,000*l.*, with power to raise 50,000*l.* by bonds.

The company was formed in August, 1869, and its property, when complete, will consist of submarine cables about 2,688 miles in length, as follows:—

| | Miles. |
|---|---|
| Santiago (Cuba) to Jamaica . . . | 140 |
| Jamaica to Aspinwall . . . . | 605 |
| Jamaica to Portorico . . . . | 582 |
| Portorico to St. Thomas . . . | 110 |
| St. Thomas to St. Kitt's . . . | 133 |
| St. Kitt's to Antigua . . . . | 90 |
| Antigua to Guadaloupe. . . . | 84 |
| Guadaloupe to Dominica . . . | 55 |
| Dominica to Martinique . . . | 60 |
| Martinique to St. Lucie . . . | 65 |
| St. Lucie to St. Vincent . . . | 64 |
| St. Vincent to Barbadoes . . . | 150 |
| St. Vincent to Grenada . . . | 80 |
| Grenada to Trinidad . . . . | 120 |
| Trinidad to (Georgetown) Demerara . | 350 |
| | 2,688 |

The company is also possessed of 275 miles of land lines; that is, fifty miles across Jamaica, fifty-two miles from Basse-Terre, Guadaloupe (the landing point), to Point-ar-Petre, the chief town in that island, eighty-three miles across Trinidad, and ninety miles from Georgetown to Berbice, the terminus of the line.

The connection between Aspinwall and Panama (the link between this company's line and the intended Panama and South Pacific line) is by means of a land line forty miles in length, which belongs to a railway company, but which this company has the right of leasing.

Subsidies have been obtained from various colonial governments, amounting to about 18,000*l.* per annum, all of which are for ten years.

It was originally intended that the cables should be laid from St. Thomas to Guadaloupe, from there to Martinique, from Martinique to Barbadoes, and from Barbadoes to Trinidad, but arrangements were afterwards made to include St. Kitts, Antigua, Dominica, St. Lucie, St. Vincent, and Grenada, on condition of their aiding the company with subsidies, as the other colonies had done.

The company, in conjunction with the International Ocean, and Cuba Companies, owns the steamer "Suffolk." This ship is specially fitted up for the repair of submarine cables.

| | |
|---|---|
| The contract originally entered into for the making and laying of the cables was . . | £587,000 |
| But upon the deviation mentioned above being determined upon, a further sum of 27,500*l.* was added to the contract, payment to be made in debenture bonds (bearing interest at 6 per cent.) . . . . . | 27,500 |
| Carried forward . . . | £614,500 |

| | |
|---|---|
| Brought forward . . . | £614,500 |
| The balance of the share capital, 63,000*l.*, was considered sufficient for the erection of the land lines, and all other expenses . . | 63,000 |
| | £679,500 |

The cable between Cuba and Jamaica was completed on the 17th September, 1870. It was then attempted to lay the cable between Jamaica and Panama, but after laying it about half way the cable snapped, and it has not since been picked up. The next cable attempted to be laid was the one between Portorico and Jamaica, but this cable was lost about twenty miles from Jamaica. The cable between Portorico and St. Thomas was completed at the end of December, 1870, and between that time and October, 1871, all the islands, from St. Thomas to Demerara, were connected. The cable between St. Thomas and St. Kitts broke down during the hurricane which visited the West Indies last autumn, and caused such devastation of property, and is not yet repaired. The cable between Portorico and Jamaica was picked up and completed on the 4th December, but the interruption between St. Thomas and St. Kitts prevents the company being in receipt of the subsidies promised.

The contractors undertook to complete the whole line in August, 1870, and the Directors claim compensation for the delay. 5,500*l.* of the bonds, and 78,090*l.* in shares, have been retained by the Directors pending the settlement of their claim. The contractors have threatened legal proceedings, but hopes have been expressed by both parties that an amicable settlement will be arrived at without resorting to the lawyers. A meeting of the company is to be held in February, to state what has been done towards a settlement.

| | |
|---|---|
| The traffic receipts up to 30th September, 1871, amounted to . . . . . | £14,464 |
| Less paid to other Companies . . . . | 10,952 |
| | 3,512 |
| Working Expenses . . . . . | 4,495 |
| Leaving a deficit of . . . | £983 |

## PANAMA AND SOUTH PACIFIC TELEGRAPH COMPANY (LIMITED).

CAPITAL.

32,000 shares of 10*l.* each = £320,000.

With power to raise 50,000*l.* by bonds.

The company was formed in January, 1870, and the property to be obtained was a submarine cable 1,100 miles in length, from Panama to Tumbez, touching at Ecuador and New Granada.

At Tumbez the lines of the National Telegraph Company of Peru commence, and they extend through the whole of Peru.

The capital was asked for to pay the contractors 300,000*l.* for the making and laying of the submarine cable, and the remainder (exclusive of the bonds) was considered amply sufficient for general purposes. The company was bound to reserve shares to the extent of 60,000*l.* for subscription in Peru, but so far this amount has not been subscribed, although an envoy was sent to Peru to try and make terms with the Government of that country. The non-subscription of these shares in Peru accounts for the fact of only 2*l.* 10*s.* having been called up on the shares subscribed for in England.

## MISCELLANEOUS COMPANIES.

The companies under this heading are five in number, and the account of them begins on page 74, with the European and South American Telegraph Company, and ends on page 89, with the Submarine Telegraph Company.

## EUROPEAN AND SOUTH AMERICAN TELEGRAPH COMPANY (LIMITED).

CAPITAL.

62,500 shares of 20*l.* each, 1,250,000*l.*

The company was formed in December, 1871. Its objects are to lay four cables—that is, from Portugal to Madeira; Madeira to St. Vincent (one of the Cape de Verde Islands); St. Vincent to St. Louis, Goree, and Cape de Verde (on the West Coast of Africa); and St. Vincent to Cape San Roque, Brazil. It was stated that concessions had been obtained from the several Governments, by which they bound themselves not to permit "during a period of sixty years the landing of any other submarine telegraph line in the directions named on the coasts of their possessions on the Atlantic." These concessions were obtained by Mons. Menier and others, and handed over to this company upon the understanding that the vendors are to receive one-third of the net annual profits of the company, after an *average* dividend of 10 per cent. per annum has been paid to the shareholders, and an additional 2*l.* per cent. applied to the formation of a reserve fund of 100,000*l.* Respecting these concessions the following correspondence took place in the *Times* upon the issue of the prospectus:—

"5, Jeffrey's-square, St. Mary Axe, Dec. 5.

"Sir,—I have seen the prospectus published this morning for the formation of a company which proposes to lay a cable between Europe and South America, in execution of concessions obtained by me from France, Portugal, Brazil, &c.

"I am the sole grantee of the concessions mentioned in the prospectus issued this morning, and the only person entitled to

make a transfer which will be recognised and valid. Such being my position, I declare that I have made no agreement either with the above-mentioned company or with Mr. Hooper. On the contrary, I have entered into agreements with other persons totally unconnected with the European and South American Telegraph Company, and to whom I have transferred my concessions.

"I therefore protest against this attempt to make use of my rights and privileges without my authority.

"I am, Sir, your obedient servant,

"PIER ALBERTO BALESTRINI."

---

"The European and South American Telegraph Company (Limited).

"7, Great Winchester-street-buildings, Dec. 6.

"Sir,—The directors of this company have read the letter in your impression of to-day signed 'Pier Alberto Balestrini.'

"In 1866 Mr. Balestrini, in consideration of large sums of money paid to him, assigned the concessions in question to a partnership composed of seven gentlemen (besides himself), of which official notice was given to the respective Governments who joined in the concessions.

"The deed by which this assignment was carried out (dated the 7th of July, 1866, and signed by Mr. Balestrini) provides that a simple majority of the Societé should have the right to sell the concessions.

"Mr. Balestrini in 1870 thought fit (notwithstanding the express provisions of the deed) to dispute the rights of this majority to sell the concessions, and commenced a suit in the French Courts with that object. The decision of the Court of First Instance being against him, he carried the matter to the Court of Appeal, who confirmed the decision of the Court below.

"The assignment to this company is agreed to by the whole

of the parties interested in the Societé other than Mr. Balestrini, and his statement, therefore, that he 'is the only person entitled to make a transfer which will be recognised and valid,' is entirely unfounded.

"The deed of the 7th of July, 1866, above-mentioned, can be seen at the solicitors' offices.

"Yours truly,

"M. H. CHAYTOR,

"Chairman."

---

"46, Parliament Street, Dec. 6.

"Sir,—With reference to the statements in the prospectus of the European and South American Telegraph Company, respecting the concessions to Mr. Pier Alberto Balestrini, we beg to say that our clients, the Telegraph Construction and Maintenance Company, have purchased from that gentleman all the concessions and rights conferred by the convention and protocols mentioned in the prospectus, and we are instructed to take immediate proceedings for the protection of our clients' interests.

"We may add that we hold M. Jules Favre's opinion in favour of Mr. Balestrini's rights.

"We are, Sir, your obedient servants,

"BIRCHAM & Co."

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"Brazilian Legation, London, Dec. 7.

"Sir,—I beg you to insert the following declaration at your earliest convenience, for which I beg to tender my anticipated thanks.

"In regard to 'the European and South American Telegraph Company,' a prospectus of which was published on the 5th inst., and in presence of the Protocol of the 31st of August, 1869, alluded to in the said prospectus, it becomes my duty to declare in the name of the Imperial Government of Brazil

(pending the proper official decision) that it remains free to the Imperial Government, and the co-signataries of the same Protocol, to decide whether the Balestrini concession is still in vigour, or whether it is to be considered forfeited, this Legation having not been informed, either officially or not, whether the engagements of the said Protocol have been hitherto duly complied with by the concessionaires, nor even whether the benefit allowed for cases of 'force majeure' has been applied for.

"Pending, therefore, the verification of these two facts, and the necessary official decision above referred to, I am in duty bound to reserve the rights of the Imperial Brazilian Government, in conformity with the international agreements concerning the Balestrini Concession.

"I have the honour to be,

"Sir, your most obedient servant,

"PEREIRA DE ANDRADA, Chargé d'Affaires."

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"The Indiarubber, Gutta Percha, and Telegraph Works Company (Limited), 100, Cannon-street, Dec. 7.

"Sir,—Referring to the prospectus of the European and South American Telegraph Company (Limited), and to the letters which have appeared on the subject of the Balestrini Concessions, I beg leave to say that our company hold an agreement with M. Balestrini and the other concessionaires for transfer of the concessions to the International South Transatlantic Company (Limited), with which company we have a contract for manufacturing and laying the cables.

"Messrs. Flux, Argles, and Rawlins were solicitors for that company, and Messrs. Argles and Rawlins are solicitors for the new company.

"I am, Sir, your obedient servant,

"WILLIAM J. TYLER, Secretary."

"The European and South American Telegraph Company (Limited), 7, Great Winchester-street-buildings, E.C., Dec. 8.

"Sir,—The attention of the directors of this company has been drawn to the letters in *The Times* of yesterday and to-day.

"As to that of Messrs. Bircham & Co., the directors are quite aware of the position of their clients, the Telegraph Construction and Maintenance Company. They secured some time since the right to a concession for the line to Brazil in case the concessions acquired by this company should lapse. Their interest is, therefore, to prevent this company carrying out the undertaking, in order that their reversionary option may become available, but we are in a position to state that the undertaking will be carried to completion by this company, the necessary financial arrangements for that purpose having been made before the issue of the prospectus.

"With regard to the letter from the Brazilian Legation in London, this matter has been in the hands of the Legation in Paris, with whom M. Menier, on behalf of the concessionaires, has been in constant communication upon the subject, and the directors have before them an important letter from that Legation to him (30th October, 1871), urging him to proceed with the undertaking.

"As to the letter from the secretary of the Indiarubber and Guttapercha Telegraph Works (Limited), the projected International South Transatlantic Company, which entered into the contract to which he refers, was never brought before the public, and has long been defunct.

"Your obedient Servant,

"M. H. CHAYTOR, Chairman."

"Brazilian Legation, Dec. 9.

"Sir,—In reference to the statement from Mr. M. H. Chaytor, chairman of the European and American Telegraph Company, in your impression of this morning, in regard to my declaration *published* yesterday, I have but to reiterate the said declaration.

"In doing so I beg to be clearly understood that it is not my intention to raise the slightest obstacle as to the carrying out of any duly-authorized scheme for the laying of a trans-atlantic cable to Brazil, and much less to enter into any discussion of the merits on which the claimants to the concession pretend to support their respective rights.

"It is in presence of these very same existing opposite claims that it becomes my unavoidable duty simply to warn the public, as I have done, and to maintain undisputed the rights of the Imperial Government (and their co-signataries) arising from the position, wording, and spirit of the protocol signed in Paris on the 31st August, 1869.

"I have the honour to remain, SIR,

"Your most obedient servant,

"PEREIRA DE ANDRADA, Chargé d'Affaires."

---

With regard to the right to the sale of the concessions, M. Balestrini appealed to the Chief Court of Appeal in Paris, and on the 7th January, 1872, that Court decided that he had no ground for appeal, and ordered that the defendants might insert this judgment in three English newspapers at the expense of M. Balestrini.

It was stated that the capital was to be raised for the purpose of paying Hooper's Telegraph Works (1,150,000*l.*), for the construction and laying of the cables, and that the remainder (100,000*l.*) was for the erection of stations, supply of instruments, payment of interest during construction, and for contingencies.

Five per cent. interest is to be paid during construction upon the amount of capital paid up for the time being.

I am assured that the cables are now in course of manufacture.

1*l.* was payable on application, 2*l.* on allotment; future calls, not exceeding 5*l.* each, to be made at intervals not exceeding three months.

## MEDITERRANEAN EXTENSION TELEGRAPH COMPANY (LIMITED).

CAPITAL.

| | | |
|---|---|---|
| 3,200 | 8 per cent. preference shares of £10 each | = £32,000 |
| 12,000 | ordinary shares of £10 each | = 120,000 |
| | | £152,000 |

This company was formed in 1857, and its property consists of three submarine cables, 189 miles in length, as follows:—

| | Miles. |
|---|---|
| Alga Grande (Sicily) to Malta | 62 |
| Pozallo (Sicily) to Malta | 62 |
| Otranto to Corfu | 65 |
| | 189 |

The first cable between Sicily (Alga Grande) and Malta was laid in 1859, the cable between Otranto and Corfu in 1860, and the second cable between Sicily (Pozallo) and Malta in 1869.

The company is also possessed of 37 miles of land lines, that is, from Alga Grande to Modica (5 miles), Pozallo to Modica (7 miles), where they connect with the Italian Government (late Anglo-Mediterranean Company's) land line, and from Corfu across the island to Sidari (25 miles). The cable at Otranto is in direct communication with Modica, by means of the Government land line.

Originally the company's property consisted of cables from Cagliari (Sardinia) to Malta, and from Malta to Corfu, but as

these did not work at all satisfactorily, they were abandoned.

| | £ |
|---|---|
| These cables and the preliminary expenses came to £117,985, but interest received reduced the amount to . . . . . | 117,496 |
| The first cable between Sicily and Malta cost, including all expenses . . . . . | 12,498 |
| The cable from Otranto to Corfu, with land lines and all expenses, cost. . . . | 21,704 |
| The second cable between Sicily and Malta, with land lines and all expenses, cost £11,589, but £11,480 was paid for out of the reserve fund, leaving £109 to be charged against capital . . . . . | 109 |
| Making the total capital expenditure . . | £151,807 |

The English Government guarantee this company (until 1882), that they will make up their net profits to 7,200*l.* every year in which they may be less than that amount. The company, since its formation in 1857, has occasionally been obliged to fall back on the government guarantee. The revenue of the last three half years will give the best notion of the present position of the company. It should be stated that the offices at Malta are occupied jointly with the Anglo-Mediterranean Company.

| | | |
|---|---|---|
| The traffic receipts for the half-year ending 30th June, 1870, were . . . . . | | £6,558 |
| Working expenses . . . . . | | 2,060 |
| | | £4,498 |
| Reserve fund . . . . . | £1,143 | |
| Carried forward . | £1,143 | £4,498 |

| | | |
|---|---|---|
| Brought forward . | £1,143 | £4,498 |
| Dividend of 4 per cent. (or 8 per cent. per annum) on preference shares, less tax . . . . . | 1,258 | |
| Dividend of 1½ per cent. on ordinary shares (or 3 per cent. per annum), free of tax . . . . . | 1,800 | |
| Income tax . . . . . | 75 | |
| Carried forward . . . . | 222 | |
| | ——— | £4,498 |

During the half-year above mentioned the Falmouth line was opened on the 13th June, and during the half-year ending 31st December, 1870, the Marseilles, Algiers, and Malta line was opened.

| | | |
|---|---|---|
| The receipts for the half-year ending 31st December, 1870, were . . . . . | | £5,340 |
| Working expenses . . . . . | | 2,145 |
| | | £3,195 |
| Amount received from H.M. Government to make profits up to £3,600 . . . | | 405 |
| | | £3,600 |
| Brought forward, 1st July, 1870 . . . | | 222 |
| | | £3,822 |
| Reserve Fund . . . . | £703 | |
| Dividend of 4 per cent. (or 8 per cent. per annum) on preference shares, less tax . . . . . | 1,259 | |
| Dividend of 1½ per cent. on ordinary shares (or 3 per cent. per annum), free of tax . . . . . | 1,800 | |
| Income-tax . . . . . | 60 | |
| | £3,822 | £3,822 |

| | | |
|---|---|---|
| The receipts for the half-year ending 30th June, 1871, were . . . . | | £4,100 |
| Working expenses . . . . . | | 1,964 |
| | | £2,136 |
| Amount received from H.M. Government to make profit up to £3,600 . . . . | | 1,464 |
| | | £3,600 |
| Reserve fund . . . . | £462 | |
| Dividend on preference shares of 4 per cent. (or 8 per cent. per annum), less tax . . . . . | 1,248 | |
| Dividend 1½ per cent. on ordinary shares (or 3 per cent. per annum), free of tax . . . . . | 1,800 | |
| Income tax . . . . . | 90 | |
| | | £3,600 |

It was stated in the last report that the communication between Greece and the Ionian Islands, which had been for some time in abeyance, was about to be restored, and that it would add to the Corfu and Otranto cable traffic. It should be stated that no accident has happened to any of the cables since January, 1869, when the Corfu and Otranto cable was interrupted for 47 days.

| | |
|---|---|
| The reserve fund stands as follows:— | |
| Balance 31st December, 1869 . . . | £4,329 |
| Interest to 30th June, 1870 . . . | 8 |
| Reserve, half-year to 30th June, 1870 . . | 1,143 |
| Carried forward . . . | £5,480 |

| | |
|---|---|
| Brought forward . . . | £5,480 |
| Transferred to credit of Malta and Sicily duplicate line . . . . . | 2,000 |
| | £3,480 |
| Interest to 31st December, 1870 . . . | 13 |
| Reserve, half-year to 31st December, 1870 . | 703 |
| | £4,196 |
| Transferred to credit of Malta and Sicily duplicate cable . . . . . | 1,480 |
| | £2,716 |
| Interest to 30th June, 1871 . . . . | 35 |
| Reserve, half-year, 30th June, 1871 . . | 462 |
| | £3,213 |

## REUTER'S TELEGRAM COMPANY (LIMITED).

| CAPITAL. | |
|---|---|
| 10,000 shares of £8 each . . . | £80,000 |
| Unissued, 1,000 shares . . . | 8,000 |
| | £72,000 |

This company originally owned the Norderney cable between Lowestoft and Norderney (Prussia), but that cable having been sold to the English Government, their business now consists entirely of the supply of intelligence, by telegraph and otherwise, to newspapers and private subscribers. The company is in partnership with Messrs. Havas & Co., of Paris, and the profits are divided equally between the company and that firm. The accounts for the year ending 31st December, 1870, give the result of the working of the company during the first year of its existence since the sale of its cable property, which constituted a special source of revenue.

The revenue account was as follows :—

| | | |
|---|---|---|
| Subscriptions, Commission, &c. . . | | £72,916 |
| Net profits of Messrs. Havas & Co. (approximate) . . . . . | | 11,000 |
| | | £83,916 |
| Working expenses . . . | £62,874 | |
| Unexpired subscriptions . . | 3,741 | |
| | | 66,615 |
| | | £17,301 |
| Net profit— | | |
| Reuter's Telegram Company . | £8,651 | |
| Messrs. Havas & Co. . . | 8,650 | |
| | | £17,301 |

*Reuter's Telegram Company—Profit and Loss.*

| | | |
|---|---|---|
| Balance from 31st December, 1869 . . | | £291 |
| Profit as above . . . . . | | 8,651 |
| Balance of capital written off . . . | | 656 |
| Balance of Hanover cable revenue in January, and other receipts not comprised in joint account . . . . . | | 2,570 |
| Interest and transfer fees . . . | | 269 |
| | | £12,437 |
| Preliminary expenses at Constantinople written off . . | £766 | |
| Fixtures and furniture written off | 1,105 | |
| | | 1,871 |
| | | £10,566 |
| Reserve fund . . . . . | £2,000 | |
| Income tax . . . . . | 190 | |
| Dividend (10 per cent.) . . | 7,200 | |
| Carried forward . . . | 1,176 | |
| | | £10,566 |

Reserve Fund :—

| | |
|---|---|
| The reserve fund 31st December, 1867, was | £2,000 |
| Added 31st December, 1868 . . . | 1,000 |
| Do. 31st December, 1870 . . . | 2,000 |
| | £5,000 |

An interim dividend of 2½ per cent. is paid in September, and the balance after the general meeting in April.

## SUBMARINE CABLES' TRUST.

| | | | £ |
|---|---|---|---|
| 10,000 | Certificates of | 100*l.* each | = 1,000,000 |
| Less unissued 5,800 | do. | do. | = 580,000 |
| 4,200 | | | £420,000 |

This trust was formed in June, 1871, and the Trustees invited subscriptions for certificates at the price of 92 for each certificate of 100*l.*, the object of the trust being to enable investors to spread their risk over a number of companies, instead of putting the whole of their money into one company.

The income of the trust is devoted in the first place to the payment of interest at the rate of 6 per cent. per annum (payable half-yearly on 15th April and 15th October).

After the payment of interest the surplus income is devoted to the purchase of the certificates in the open market, or by tender (invited by advertisement), or, failing these means, by yearly drawings at 120*l.*

The 6 per cent. interest and redemption of certificates is assumed to be made out of the dividends received upon the investments; the trustees have, nevertheless, the power to realise any securities belonging to the trust which reach a premium of 30 per cent. on the purchase price, and to devote the sum so realised to the redemption of the certificates.

Interest coupons are attached to the certificates, and a coupon of reversion. The latter entitles the holder to participate in a *pro rata* division of the assets (if any) after the whole of the certificates have been redeemed.

In reply to the prospectus inviting subscriptions for 10,000 certificates, applications were received for 4,200. The expenses of forming the trust were limited to £2 per cent. upon

the nominal amount of the securities purchased, thus making the amount available on 4,200 certificates £378,000. The investments are as follows:—

| Names of Companies. | Cash value allowed to Subscribers, or Cash Paid on purchase, including Commission at 2 per Cent. | Nominal Amount of Shares and Stock. |
|---|---|---|
| Anglo-American Telegraph Company, Limited . . | £98,797 15 3 | £90,346 |
| „ Mediterranean do. . | 690 15 0 | 450 |
| Société du Cable Français Trans-Atlantique . . | 64,140 14 0 | 63,860 |
| Falmouth, Gibraltar & Malta Telegraph Co., Limited . | 30,099 3 0 | 29,020 |
| British Indian Submarine do. | 48,210 1 3 | 57,050 |
| Marseilles, Algiers & Malta do. | 18,859 3 0 | 23,870 |
| British Indian Extension do. | 46,564 3 9 | 45,850 |
| China Submarine do. | 37,847 9 9 | 48,240 |
| British Australian do. | 31,760 5 0 | 39,950 |
| West India & Panama do. | 879 2 6 | 1,300 |
| Great Northern do. | 151 7 6 | 100 |
| | £378,000 0 0 | £400,036 |

The expenses of the trust are limited to £2,000 a year. The first payment of interest was made on the 15th October, 1871, the amount paid being £1 10s. on each certificate.

## SUBMARINE TELEGRAPH COMPANY BETWEEN GREAT BRITAIN AND THE CONTINENT OF EUROPE.

(Incorporated by Royal Charter.)

CAPITAL.

| | |
|---|---|
| Ordinary stock . . . . | £338,225 |
| With power to increase to . . | 400,000 |

The company was formed in 1850, and its property consists of seven cables, as follows:—

| | Wires. | Miles. |
|---|---|---|
| Cable laid, September, 1851, Dover to Calais . | 4 | 24 |
| „ November, 1867, Dover to La Panne (Belgium) . . . . . | 4 | 47 |
| „ May, 1853, Ramsgate to Ostend . | 6 | 70 |
| „ June, 1859, Folkestone to Boulogne | 6 | 25 |
| „ June, 1861, Beachy Head to Dieppe | 6 | 78 |
| „ September, 1870, Beachy Head to Havre . . . . . | 6 | 69 |
| „ January, 1860, Jersey to France . | 1 | 30 |
| | 33 | 343 |

The company also works three cables on behalf of the Post Office, two of them being between England and Holland, and the third between England and Norderney (Prussia).

The receipts of the cable between Salcombe and Brest (laid down by the French Atlantic Telegraph Company at their own expense) belong entirely to this company, and are guaranteed to be not less than 1,500*l.* per annum. The French Atlantic Company pay the whole of the working expenses of the cable excepting repairs.

The company has an exclusive concession from the French Government (until 1889) for the laying and working of submarine cables between England and France; also a similar concession from the Belgian Government (until 1889), for the laying and working of cables between Belgium and England. The cables being laid across a narrow and shallow channel, are naturally very liable to continual breakages; but notwithstanding this fact, very fair dividends have been earned for some years. To give any account of the past dividends would be useless here, as since the Post Office took over the telegraphs, they have entered into arrangements with this company, which are so advantageous, that the dividend has been more than doubled. I will briefly state the terms of this agreement. The gross receipts (between the Continent and Great Britain or Ireland) are divided by first giving the company one-fourth, which is supposed to represent a sum sufficient for repairs; then the Post Office take one-fifth on all messages to or from London, two-fifths in case of towns in Great Britain other than London, and one half to or from Ireland; the remainder is divided equally between the Post Office and the company. The company has to keep all the cables in order, unless the leased cables become permanently disabled, in which case the Post Office must renew them at its own expense. The agreement with the Post Office lasts until the expiration of the French and Belgian concessions.

It is necessary to state that this company is in partnership with a French company, called the "Submarine Telegraph Company between France and England, Société Carmichael et

Cie." The division of net receipts is made *pro ratâ* upon the assumed capital of the two companies, calling the French company's capital 75,000*l.* and this company's 370,957*l.* 15*s.* 2*d.* It will be noticed in two of the half-yearly accounts which I give hereafter, that the English company's capital is stated as 329,307*l.* 15*s.* 2*d.*, but in the third it is 370,957*l.* 15*s.* 2*d.*, and it is upon that basis that it will be calculated in future.

In looking at the accounts for the half-year ending 30th June, 1870, it must be remembered that the agreement with the Post Office had only been working five months; and of the three cables belonging to that office, the one to Hanover was not worked until the 26th March, and the other two not until the 9th April (being out of repair); and the new cable from Beachy Head to Havre was not laid.

| | | |
|---|---|---|
| The gross receipts for the six months ending 30th June, 1870, were . . . . | | £45,029 |
| Working expenses . . . . . | | 9,147 |
| | | £35,882 |
| Reserve fund ten per cent. of gross receipts | | 4,503 |
| English company (329,307*l.* 15*s.* 2*d.*) | £25,559 | |
| French company (75,000*l.* 0*s.* 0*d.*) . | 5,820 | |
| | | £31,379 |
| Proportion of receipts . . . . | | £25,559 |
| Interest, &c . . . . . | | 155 |
| Brought forward 1st January, 1870 . . | | 154 |
| | | £25,868 |
| Direction . . . . | £958 | |
| Repairs to cables . . . | 2,400 | |
| Income Tax . . . . | 426 | |
| Dividend . . . . . | 20,894 | |
| Carried forward . . . | 1,190 | |
| | | £25,868 |

20,894*l.* is equal to a dividend, on 338,225*l.*, of nearly 12 per cent. per annum. It should be noted that a considerable portion of the sum available for dividend, both in this and the two following half-years, was expended in the payment of interest on debentures and preference shares, which have since been paid off, a portion of the present capital of the company having been raised for that purpose. 5,415*l.* of the debenture bonds still remain to be paid off, but a sum has been invested in Bank Stock to meet the interest, and to pay off the bonds when expired.

| | | |
|---|---|---|
| During the half year ending 31st December, 1870, notwithstanding the war on the Continent (which reduced the messages to and from France, from an average of 1,400 a day to 875), the gross receipts were . . . | | £54,086 |
| Working expenses (including expenses *re* Telegraph Act, 1868-9) . | £10,700 | |
| Repairs to cables . . . . | 6,682 | |
| Reserve Fund 10 per cent. on gross receipts . . . . . | 5,409 | |
| | —— | 22,791 |
| | | £31,295 |
| English Company, on £339,307 15s. 2d. for two months, and on £370,957 15s. 2d. for four months | £25,851 | |
| French Company, on £75,000 . . | 5,444 | |
| | —— | £31,295 |
| Proportion of receipts . . . | | £25,851 |
| Interest, &c. . . . . | | 305 |
| Balance from 1st July, 1870 . . | | 1,190 |
| Carried forward . | | £27,346 |

| | | |
|---|---|---|
| Brought forward . | | £27,346 |
| Direction . . . . . | £1,000 | |
| Repairs (old account) . . . | 1,124 | |
| Dividend . . . . . | 24,694 | |
| Carried forward . . . . | 528 | |
| | | £27,346 |

£24,694 is equal to a dividend on £338,225 of 14½ per cent. per annum.

During the half-year ending 30th June, 1871, the number of messages between France and England shewed a still further reduction, the average daily number being only 670, as against 875 in the half-year ending December, 1870, and 1,400 before the war broke out.

| | | |
|---|---|---|
| The gross receipts amounted to . . | | £53,353 |
| Working expenses (including 1-5th of £2,567 12s. 11d., further costs in respect of the Telegraph Acts 1868 and 1869) | £11,190 | |
| Repairs to cables . . . | 4,268 | |
| Reserve fund 10 per cent. on gross receipts . . . | 5,335 | |
| | | 20,793 |
| | | £32,560 |
| English Company, on £370,957 15s. 2d. . . . . | £27,084 | |
| French Company, on £75,000 . | 5,476 | |
| | | £32,560 |
| Proportion of receipts . . . . | | £27,084 |
| Interest, &c. . . . . | | 228 |
| Carried forward . . . | | £27,312 |

| | | |
|---|---|---|
| Brought forward . . . | | £27,312 |
| Balance from 1st January, 1871 . . | | 528 |
| | | £27,840 |
| Direction . . . . . | 1,000 | |
| Income tax . . . . . | 500 | |
| Dividend . . . . . | 25,841 | |
| Carried forward . . . | 499 | |
| | | £27,840 |

£25,840 is equal to a dividend of rather more than 15¼ per cent. per annum.

It should be noted that in August the French messages had risen to an average of 1,227 per day.

The reserve fund is as follows :—

| | |
|---|---|
| Amount 31st December, 1869 . . . | £39,479 |
| Interest . . . . . | 630 |
| | £40,109 |
| Added 30th June, 1870 . . . | 4,503 |
| | £44,612 |
| Interest . . . . . | 675 |
| | £45,287 |
| Amount awarded to Mr. Borthwick for special services . . . . . | 1,000 |
| | £44,287 |
| Added 31st December, 1870 . . . | 5,409 |
| Carried forward . . . | £49,696 |

| | | |
|---|---|---|
| Brought forward . . | | £49,696 |
| Interest . . . . . | | 758 |
| | | £50,454 |
| Added 30th June, 1871 . . . . | | 5,335 |
| English Company . . . | £44,845 | |
| French Company . . . | 10,944 | |
| | | £55,789 |

Of this reserve fund 23,300*l.* is invested in Railway Debentures and 16,213*l.* in Consols. 9,668*l.* has been invested in the purchase of a steamer, which is to be paid for gradually out of revenue.

# APPENDIX.

## ANGLO-AMERICAN TELEGRAPH COMPANY (LIMITED).

*Directors.*

CAPTAIN AUGUSTUS T. HAMILTON, *Chairman.*
WILLIAM BARBER, ESQ.
FRANCIS A. BEVAN, ESQ.
SIR DANIEL GOOCH, BART., M.P.
J. C. PICKERSGILL-CUNLIFFE, ESQ.
THE HON. ROBERT GRIMSTON.
L. M. RATE, ESQ.

*General Manager*—H. WEAVER, ESQ.

*Secretary*—JOHN GRANT, ESQ.

*Office*—26, Old Broad Street, E.C.

Capital, 1,675,000*l.* Consolidated Stock, of which 1,575,000*l.* has been issued. 100,000*l.* 7½ per cent. debentures.

Meeting in March.

Dividends payable quarterly.

Dividends paid in 1871—

| | | |
|---|---|---|
| March | . | 3 per cent. |
| June | . | 2 „ |
| September | . | 2 „ |
| December | . | 2 „ |

Last accounts made up to 31st January, 1871.

Reserve Fund—Nil.

Amount of stock transferable.—From 5*l.* upwards.

*Fluctuations in Price.*

In 1869. Highest, 23 per share (10*l.*). Lowest, 18¼ per share.
In 1870. „ 20⅞ „ „ 74 per 100*l.* stock.*
In 1871. „ 73 per 100*l.* stock. „ 136 „

* Equal to five 10*l.* shares.

## ANGLO-MEDITERRANEAN TELEGRAPH COMPANY (LIMITED).

*Directors.*

LORD WILLIAM MONTAGU HAY, *Chairman.*
SIR JAMES ANDERSON, *Managing Director.*
JULIUS BEER, ESQ.
THOMAS BRASSEY, ESQ., M.P.
GEORGE ELLIOT, ESQ., M.P.
CYRUS W. FIELD, ESQ.
PHILIP RAWSON, ESQ.

*Acting Secretary*—MR. G. DRAPER.

*Office*—66, Old Broad Street, E.C.

Capital.—430,000*l.* Consolidated Stock.
Meeting in June.
Dividends payable quarterly.
Dividends paid in 1871—

| | | |
|---|---|---|
| February | . | 2 per cent. |
| July | . . | 6 ,, |
| October | . | £1 6s. 8d. per cent. |

Last accounts made up to 30th April, 1871.
Reserve Fund £3,800.
Amount of stock transferable.—From 5*l.* upwards.

*Fluctuations in Price.*

| | | | | |
|---|---|---|---|---|
| In 1862. | Highest, 18¾ per share. | | Lowest 10 | per share. |
| In 1870. | ,, 22⅝ | ,, | ,, 113*l.* | stock.* |
| In 1871. | ,, 175 stock. | | ,, 112*l.* | ,, |

* Equal to £11 6s. 0d. per share.

## BRITISH AUSTRALIAN TELEGRAPH COMPANY (LIMITED).

*Directors.*

THE RIGHT HON. VISCOUNT MONK, *Chairman.*
LORD WILLIAM MONTAGU HAY.
THE RIGHT HON. WM. NATHANIEL MASSEY.
JOHN PENDER, ESQ.
SIR JAMES ANDERSON.
WILLIAM MCARTHUR, ESQ., M.P.
CHARLES WM. EARLE, ESQ., *Managing Director.*

*Secretary*—GEORGE LYONS, ESQ.

*Office*—66, Old Broad Street, E.C.

Capital.—66,000 shares of 10*l.* each, of which 65,016 have been issued and fully paid, but it should be noted that some of these have since been redeemed.

Meeting in February.

Interest paid in 1871—

January—Half-year's Interest at the rate of 5 per cent. per annum paid by the contractors.

July— do. do. do.

Last accounts made up to 31st December, 1870.

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

In 1871. Highest, 9 per share. Lowest, 5¼ dis. (8*l.* paid).

## BRITISH INDIAN EXTENSION TELEGRAPH COMPANY (LIMITED).

*Directors.*

RIGHT HON. WILLIAM N. MASSEY, *Chairman.*
FRANCIS A. BEVAN, ESQ.
CHARLES WILLIAM EARLE, ESQ.
COLONEL THOMAS GEO. GLOVER, R.E., *Managing Director.*
GEO. GARDEN NICOL, ESQ.
PHILIP RAWSON, ESQ.

*Secretary*—THOMAS FULLER, ESQ.

*Office*—66, Old Broad Street, E.C.

Capital.—46,000 shares of 10*l.* each, of which 45,250 are issued and fully paid.
24,000*l.* in debenture bonds, bearing interest at 6 per cent.

Last meeting in July, 1871.

Dividend paid in 1871—
August . 6s. 0d. per share.

Last accounts made up to 31st December, 1870.

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

In 1871. Highest, 12¼. Lowest, 5½.

## BRITISH INDIAN SUBMARINE TELEGRAPH COMPANY (LIMITED).

*Directors.*

JOHN PENDER, ESQ., *Chairman.*
SIR JAMES ANDERSON, *Managing Director.*
BARON EMILE D'ERLANGER.
COLONEL GLOVER, R.E.
LORD WILLIAM HAY.
THOS. DYSON HORNBY, ESQ.
RT. HON. W. N. MASSEY.
GEO. G. NICOL, ESQ.
PHILIP RAWSON, ESQ.
SIR CHARLES WINGFIELD, M.P.

*Acting Secretary*—MR. G. DRAPER.

*Office*—66, Old Broad Street, E.C.

Capital.—120,000 shares of 10*l.* each, of which 118,750 are issued and fully paid.

Meetings.—June and November.

Dividends paid in 1871—

July . . 4s. per share.
December . 6s. ,,

Last accounts made up to 30th September, 1871.

Reserve fund.—11,500*l.*

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

| | | | | | |
|---|---|---|---|---|---|
| In 1869. | Highest, | 4⅛ prem. | Lowest, | 2¾ dis. |
| In 1870. | ,, | 15¼ per share. | ,, | 6¼ per share. |
| In 1871. | ,, | 9½ ,, | ,, | 6 ,, |

## CHINA SUBMARINE TELEGRAPH COMPANY (LIMITED).

*Directors.*

JOHN PENDER, ESQ., *Chairman.*
LORD WM. M. HAY.
RT. HON. WM. N. MASSEY.
JAMES HENRY CRAWFORD, ESQ.
THOMAS FAIRBAIRN, ESQ.
COLONEL GLOVER, R.E., *Managing Director.*
R. D. SASSOON, ESQ.
BARON EMILE D'ERLANGER.

*Secretary*—THOMAS FULLER, ESQ.

*Office*—66, Old Broad Street, E.C.

Capital.—52,500 shares of 10*l.* each.
Bonds, 9,600*l.* (Interest 6 per cent.)

Meeting in November.

Interest paid in 1871—
January—Half-year's Interest at the rate of 5 per cent. per annum paid by the contractors.
July— do. do. do.

Last accounts made up to 30th September, 1871. (Revenue account not given.)

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

In 1871. Highest, 9⅜. Lowest, 6 dis. (8*l.* paid).

## CUBA SUBMARINE TELEGRAPH COMPANY (LIMITED).

*Directors.*

THOMAS HUGHES, ESQ., M.P., *Chairman.*
NEIL BANNATYNE, ESQ.
ALEX. MACGREGOR, ESQ.
JOHN NENNINGER, ESQ.
HORATIO J. PERRY, ESQ.

*Secretary*—J. A. BRAND, ESQ.

*Office*—50, Old Broad Street. E.C.

Capital.—16,000 shares of 10*l.* each, paid up. With power to raise 50,000*l.* by Bonds.

Meeting.—September.

Dividend paid in 1871—Nil.

Last accounts made up to 30th June, 1871.

Reserve Fund.—1,600*l.*

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

In 1871. Highest, 8¼. Lowest, 6¼.

## EUROPEAN AND SOUTH AMERICAN TELEGRAPH COMPANY (LIMITED).

*Directors.*

MATTHEW HUTTON CHAYTOR, ESQ., *Chairman.*
SIR JAMES CARMICHAEL, BART., *Deputy Chairman.*
A. BORTHWICK, ESQ.
JOHN M. DUNLOP, ESQ.
H. R. GRENFELL, ESQ.
MATTHEW KENNEDY, ESQ.
HIS EXCELLENCY THE BARON DE MAUA.
A. J. OTWAY, ESQ., M.P.
GEORGE WYTHES, ESQ.
BARON DE NIOAC.

*Secretary*—J. D. AYERS, ESQ.

*Temporary Offices*—7, Great Winchester Street Buildings, E.C.

Capital.—62,500 shares of 20*l.* each; 1*l.* paid on application, 2*l.* on allotment. Future calls, not exceeding 5*l.* each, to be made at intervals not exceeding three months.

**Shares transferable.—One and upwards.**

## FALMOUTH, GIBRALTAR, AND MALTA TELEGRAPH COMPANY (LIMITED.)

JOHN PENDER, ESQ., *Chairman.*
LORD WILLIAM MONTAGU HAY.
SIR JAMES ANDERSON, *Managing Director.*
GEORGE ELLIOT, ESQ., M.P.
BARON EMILE D'ERLANGER.
RIGHT HON. WILLIAM N. MASSEY.
LORD ALFRED PAGET.

*Acting Secretary*—MR. G. DRAPER.

*Office*—66, Old Broad Street, E.C.

Capital.—76,000 shares of 10*l.* each, of which 74,163 are issued and fully paid. 8,163 of these shares were issued in 1871, and only carried dividend from 1st September, hence the dividend of 1s. 2d. on "new shares."

Meetings.—In June and December.

Dividends paid in 1871.—

| | |
|---|---|
| 5s. per share | July. |
| 7s. do. | December. |
| 1s. 2d. per share on new shares | Do. |

Last accounts made up to—30th September, 1871.

Reserve Fund.—8,897*l.*

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

| | | | | | |
|---|---|---|---|---|---|
| In 1869. | Highest, | 2⅞ prem. | Lowest, | ½ dis | |
| „ 1870. | „ | 4⅜ „ | „ | 2 „ | |
| „ 1871. | „ | 11⅛ per share. | „ | 8⅜ per share. | |

## GREAT NORTHERN TELEGRAPH COMPANY OF COPENHAGEN.

(Incorporated under Danish Law with Limited Liability.)

*Directors.*

C. A. Broberg, Esq.
M. Levy, Esq.
Count W. C. E. Sponneck.
O. B. Suhr, Esq.
C. F. Tietgen, Esq.

*Representative in England*, H. G. Erichsen, Esq.

*Office*—7, Great Winchester Street Buildings, E.C.

Capital.—40,000 shares of 10*l.* each, paid up.

Meeting. In April, at Copenhagen.

Dividends paid in 1871—

| | | |
|---|---|---|
| January | 2½ per cent. | less tax. |
| April | 7s. 9d. per share | „ |
| July | 2½ per cent. | „ |

Last accounts made up to 31st December, 1870.

Reserve Fund.—5,560*l.*

Shares.—"To bearer." In scrip for one, five, ten, fifty, and one hundred shares each.

*Fluctuations in Price.*

| | | | | |
|---|---|---|---|---|
| In 1869. | Highest, | 11¾. | Lowest, | 10. |
| „ 1870. | „ | 12 | „ | 9½. |
| „ 1871. | „ | 15½ | „ | 11¼. |

## GREAT NORTHERN TELEGRAPH; CHINA AND JAPAN EXTENSION COMPANY OF COPENHAGEN.

(Incorporated under Danish law with Limited Liability.)

*Directors.*

C. A. Broberg, Esq.
L. P. Holmblad, Esq.
M. Levy, Esq.
I. Fr. Sick, Esq.
O. B. Suhr, Esq.
C. F. Tietgen, Esq.

*Representative in England*—H. G. Erichsen, Esq.

*Office*—7, Great Winchester Street Buildings, E.C.

Capital.—60,000 shares of 10*l.* each, paid up.

Meeting in April at Copenhagen.

Shares.—"To bearer." In scrip for one, five, ten, fifty, and one hundred shares each.

*Fluctuations in Price.*

In 1871. Highest, 12⅞. Lowest, 11⅛.

# INDO-EUROPEAN TELEGRAPH COMPANY (LIMITED.)

*Official Directors.*

GENERAL VON CHAUVIN, Director-General of Telegraphs of the North German Confederation.

GENERAL VON LÜDERS, Director-General of Imperial Telegraphs in Russia.

WM. H. BARLOW, ESQ., F.R.S.

*Directors.*

THE HON. ROBERT GRIMSTON, *Chairman.*
WM. H. BARLOW, ESQ., F.R.S.
A. DELBRÜCK, ESQ.
I. H. GOSSLER, ESQ.
COLONEL JAMES HOLLAND.
H. H. MEIER, ESQ.
L. OESTERREICH, ESQ.
W. E. QUENTELL, ESQ.
CHARLES B. SKINNER, ESQ.
MAJOR-GENERAL G. B. TREMENHEERE.
J. HERBERT TRITTON, ESQ.
EDWARD WALKER, ESQ.
H. WEAVER, ESQ.
C. W. SIEMENS, ESQ., F.R.S., D.C.L.

*Secretary*—W. ANDREWS, ESQ.

*Office*—16, Telegraph Street, E.C.

Capital.—18,000 shares of 25*l.* each, of which 1,000 shares are unissued.

Meeting in February.

Dividend paid in 1871, nil.

Reserve fund, nil.

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

In 1870. Highest, 25. Lowest, 12.
1871. „ 16. „ 10.

## MARSEILLES, ALGIERS, AND MALTA TELEGRAPH COMPANY (LIMITED).

*Directors.*

His Excellency M. Drouyn de Lhuys, *Chairman.*
Lord Wm. M. Hay.
Baron Emile D'Erlanger.
Sir James Anderson.

*Acting Secretary*—Mr. G. Draper.

*Office*—66, Old Broad Street, E.C.

Capital.—20,000 shares of 10*l.* each, paid up.
Meeting.—February.
Dividend paid in 1871.—Nil.
Last accounts made up to 31st December, 1870.
Reserve Fund.—Nil.
Number of shares transferable.—From one upwards.

*Fluctuation in Price.*

In 1871. Highest, 8¾ per share. Lowest, 5¼ per share.

## MEDITERRANEAN EXTENSION TELEGRAPH COMPANY (LIMITED).

*Directors.*

HENRY MOOR, ESQ., *Chairman.*
SIR JAMES CARMICHAEL, BART., *Deputy Chairman.*
G. B. CARR, ESQ.
SAMUEL GURNEY, ESQ.
CAPTAIN A. T. HAMILTON.
THE HON. ASHLEY PONSONBY.

*Secretary*—EDWARD TOMBS, ESQ.

*Office*—158, Gresham House, E.C.

Capital.—12,000 ordinary shares of 10*l.* each, paid up, and 3,200 eight per cent. preference shares of 10*l.* each, paid up.

Meetings.—February and August.

Dividends paid in 1871—

On ordinary shares—

April . . 1½ per cent. (free of tax.)
September . 1½ „ „

On preference shares—

March . . 4 per cent. (less tax.)
September . 4 „ „

Last accounts made up to 30th June, 1871.

Reserve fund.—3,213*l.*

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

Ordinary shares.

In 1869. Highest, 8. Lowest, 2½.
In 1870. „ 9¾ „ 4¼.
In 1871. „ 5½ „ 4.

Preference shares.

In 1871. Highest, 12. Lowest, 11.

## PANAMA AND SOUTH PACIFIC TELEGRAPH COMPANY (LIMITED).

*Directors.*

THOMAS HUGHES, ESQ., M.P., *Chairman.*
NEIL BANNATYNE, ESQ.
MAJOR-GENERAL WM. F. SMITH.
FRED. PEZET, ESQ.
DON CARLOS PAZ SOLDAN.
ALEX. RUDEN, ESQ.
ALEX. F. LOW, ESQ.

*Secretary*—J. A. BRAND, ESQ.

*Office*—50, Old Broad Street, E.C.

Capital.—32,000 shares of 10*l.* each, with power to raise 50,000*l.* by Bonds.

Number of shares transferable.—From one upwards.

## REUTER'S TELEGRAM COMPANY (LIMITED).

*Directors.*

COLONEL JAMES HOLLAND, *Chairman.*
REAR-ADMIRAL SIR JOHN C. D. HAY, BART., M.P.
JAMES SYDNEY STOPFORD, ESQ.
JULIUS REUTER, ESQ., *Managing Director.*

*Secretary*—F. J. GRIFFITHS, ESQ.

*Office*—24, Old Jewry, E.C.

Capital.—10,000 shares of 8*l.* each, of which 1,000 are unissued, the remainder being fully paid.

Meeting in April.

Dividends paid in 1871—

April . . 7½ per cent.
September . 2½ „

Last accounts made up to 31st December, 1870.

Reserve fund.—£5,000.

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

| | | | | | |
|---|---|---|---|---|---|
| In 1869. | Highest, | 82 (old shares). | Lowest, | 49 (old shares). |
| In 1870. | „ | 13 (new shares). | „ | 7 (new shares). |
| In 1871. | „ | 11½ „ | „ | 7 „ |

## SOCIETE DU CABLE TRANSATLANTIQUE FRANCAIS (LIMITED).

*Directors in London.*

THE RT. HON. VISCOUNT MONCK, *Chairman.*
LORD WM. M. HAY.
EDWARD I. HALSEY, ESQ.
JULIUS REUTER, ESQ.
CAPT. R. C. MAYNE, R.N., C.B., *Manager in London.*

*Directors in Paris.*

CONTRE AMIRAL LACAPELLE, *President.*
LE MARQUIS E. DE BEAUMONT.
M. CHARLES CRAPELET.
LE BARON EMILE D'ERLANGER.
M. L. CURCHOD, *Directeur-Generale in Paris.*

*Secretary in London*—E. TRAVERS CUMMINS, ESQ.

*Office in London*—26, Old Broad Street, E.C.

Capital.—58,000 ordinary shares of 20*l.* each. 2,000 omnium shares of 20*l.* each, paid up.

Meeting in March.

Dividends payable quarterly.

Dividends paid in 1871—

| | | |
|---|---|---|
| March | 2 | per cent. |
| June | 2 | ,, |
| July | 2½ | ,, (final for 1870) |
| September | 2 | ,, |
| December | 2 | ,, |

Last accounts made up to 31st December, 1870.

Reserve Fund.—7,613*l.*

*Fluctuations in Price.*

| | | | | | |
|---|---|---|---|---|---|
| In 1869. | Highest, 3½ prem. | | Lowest, 5¼ dis. | | |
| In 1870. | ,, | 19⅛ per share. | ,, | 13¼ per share. | |
| In 1871. | ,, | 27 ,, | ,, | 13⅛ | ,, |

## SUBMARINE CABLES TRUST.

*Trustees.*

Sir James Anderson.
Sir Daniel Gooch, Bart., M.P.
Lord William M. Hay.
The Right Hon. Viscount Monck.
Captain Sherard Osborn, R.N., C.B.
John Pender, Esq.

*Secretary*—George Saward, Esq.

*Office*—65, Old Broad Street, E.C.

Amount of trust,—4,200 Certificates of 100*l.* each.
Meeting.—November.
Interest paid in 1871—
1*l.* 10*s.* per certificate in October.

*Fluctuation in Price.*

In 1871. Highest, 102. Lowest, 82¼.

## SUBMARINE TELEGRAPH COMPANY.

*Directors.*

SIR JAMES CARMICHAEL, BART., *Chairman.*
SAMUEL GURNEY, ESQ.
CAPTAIN I. GRANT, *late* R.A.
HENRY MOOR, ESQ.
THE HON. ASHLEY PONSONBY.
C. SAUNDERSON, ESQ.
ARTHUR OTWAY, ESQ., M.P.

*Secretary*—S. M. CLARE, ESQ.

*Office*—58, Threadneedle Street, E.C.

Capital.—338,225*l.* Consolidated Stock, with power to increase to 400,000*l.*

Meetings.—February and August.

Dividends paid in 1871—

| | |
|---|---|
| March . . | 7½ per cent. |
| September . | 7½ „ |

Last accounts made up to June 30th, 1871.

Reserve fund.—44,845*l.*

Amount of stock transferable.—From 5*l.* upwards.

*Fluctuations in Price.*

| | | | | |
|---|---|---|---|---|
| In 1869. | Highest, | 252. | Lowest, | 92. |
| In 1870. | „ | 263. | „ | 220. |
| In 1871. | „ | 263. | „ | 222. |

## WEST INDIA AND PANAMA TELEGRAPH COMPANY (LIMITED).

*Directors.*

REAR-ADMIRAL SIR JOHN C. HAY, BART., M.P., *Chairman.*
GEO. H. CHAMBERS, ESQ.
REAR-ADMIRAL HUGH DUNLOP, C.B.
QUINTIN HOGG, ESQ.
THOMAS HUGHES ESQ., M.P.
WM. LANGTON, ESQ.
ALEX. MACGREGOR, ESQ.
MAJOR-GENERAL SMITH.
JOHN A. TINNE, ESQ.

*Secretary*—J. A. BRAND, ESQ.

*Office*—50, Old Broad Street, E.C.

Capital.—65,000 shares of 10*l.* each, paid up; with power to raise 50,000*l.* by Bonds, which has been exercised to the extent of 27,500*l.* (see account of this Company, page 68.)

Meeting.—November.

Dividend paid in 1871.—Nil.

Last accounts made up to 30th September, 1871.

Reserve Fund.—Nil.

Number of shares transferable.—From one upwards.

*Fluctuations in Price.*

In 1871. Highest, 6¾. Lowest, 4¾.

FREDC. C. MATHIESON, PRINTER, BARTHOLOMEW HOUSE, BARTHOLOMEW LANE, BANK, E.C.